471 to state capitalism. According to a report from Peking, in July 1955 some 40 mills were entirely devoted to state needs, 152 milling houses were engaged to mill and sell grain for the state, and 52 firms were selling grain only on behalf of state agencies.[45]

The majority of dealers engaged in the retailing of cotton cloth and silk in Peking suffered steadily growing losses until government directives forced their merger under a single management. Over thirty textile houses have merged, and others are preparing to follow the Communist-imposed pattern in order to maintain existence.[46]

XIII. FOOD RATIONING

● 434 Grain was first rationed in Communist China on November 19, 1953, in accordance with a government order for the enforcement of "planned purchase and planned supply of grain," designed to "stabilize foods required for livelihood and national construction,

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[45] Industry and Commerce, Peking, July 10, 1955, p. 30

[46] Ibid.

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● 434. stabilize food prices, and eliminate food profiteering." All traders in grain and other essential foodstuffs were to submit to the control of the state, which would determine the ration for various classes of workers and fix official purchasing prices and retail selling prices.[47]

In order to facilitate the efficient rationing of grain in cities, industrial and mining districts, and in rural areas where grain was not produced or was produced only in insufficient quantities, "state grain markets" were established throughout China. According to a report from Hong Kong,[48] some 18,000 state grain markets had been established in the North China Region as of July 1954.

Because of the many floods and periods of drought during 1953 and 1954, grain production in those years was insufficient to meet local demands, in spite of Communist assertions that grain production had surpassed the figures for 1952. Rationing continues to cause discontent among urban and rural populations.

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47. Hsin Chien-she [New Construction], Peking, Sept. 3, 1955, p. 13.

48. China Weekly, Hong Kong, Jan. 10, 1955, p. 38.

● 434 In the rural districts, following the implementation of the "san-ting" policy, which imposes fixed quotas for production, purchase, and marketing of grains, most of the farmers were not left with enough grain to increase production or to adequately feed themselves. In spite of the fact that the daily ration of grain since 1953 had been insufficient to provide minimum calorie requirements, the Communist regime proposed a tighter control of grain rationing in its "Temporary Measures Governing the Fixed Quantitative Supply of Grain in Urban Areas,"[49] promulgated in August 1955.

The individual's present or potential value to "socialist reconstruction" determines the size of the ration he receives. Amounts vary according to the age, type of work performed, and the eating habits of the local population. For example, North China is a region where wheat flour is of importance to the diet; monthly rations of wheat flour, as fixed by the Communists, are: (1) persons performing extraordinarily heavy work, 55

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[49] China Daily News, New York, Sept. 2, 1955.

434 catties (60.5 lbs.) of flour; (2) persons performing heavy physical work, 45 catties (49.5 lbs.); (3) ordinary workers, 35 catties (38.5 lbs.); (4) office clerks, teachers, and shop assistants, 31 catties (34.1 lbs.); (5) college and secondary school students, 35 catties (38.5 lbs.); and (6) residents in general, 26.5 catties (29.2 lbs.). Children under ten are classified according to age.[50]

434 146 In order to determine whether the rations of wheat flour given above are adequate for minimum requirements, it is necessary to appraise the calorie content of each ration. It is estimated that one kilogram (2.2 lbs) of 4th grade wheat is equivalent to 3,430 calories.[51] Table 8, which follows, gives the daily calorie equivalents of wheat flour as rationed to the six groups listed above and offers, for purposes of comparison, the number of calories normally required by each group.

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[50] New China News Agency release, Peking, Aug. 25, 1955.

[51] Shih-wu Cheng-fen Piao [Tables of Composition of Foods], Shanghai, Chung-yang Wei-sheng Yen-chiu-yüan [The Central Health Research Institute], 1952, p. 5.

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Table 8. Wheat Flour Rations in North China*

Class of Workers	Quanity Rationed			Normal Calorie-equivalents Per Day (II)	Percentage of Deficiency# $\left(\frac{II-I}{I}\right)$
	Catties per Month	Pounds per Month	Calorie-equivalents per Day (I)		
Extra Hard Workers	55	60.5	3,110	4,800	55
Hard Workers	45	49.5	2,640	4,000	51
Ordinary Workers	35	38.5	2,000	3,200	60
Office Clerks	31	34.1	1,770	2,800	58
College or High School Students	35	38.5	2,000	3,200	60
Ordinary Residents and Children above 10 years of Age	26.5	29.2	1,520	2,400	58

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* Tables of Composition of Foods, Shanghai, The Central Health Research Institute, p. 5. T. H. Shen, Agricultural Resources of China, New York, 1951, p. 169.

# Wheat flour is the primary source of calories in the diet of the population of North China. Although some part of the deficiency may be made up by other foods consumed, the normal ration of other foods would not furnish 50-70 per cent of the daily calorie requirement.

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146 Table 8 illustrates that the amounts of wheat flour rationed to various classes of workers are below normal dietary requirements as measured in terms of calories. Moreover, the people often cannot afford to buy their full ration at the prices fixed by the Communists nor is there always an adequate amount of wheat flour on the market to provide even these minimum requirements.

XIV. COMMODITY FAIRS

543 In order to stimulate trade and facilitate the interflow of commodities between urban and rural areas, the Chinese Communists have held a series of "native products fairs" in some large cities in North China. Comparatively complete data on fairs held in the North China Region during 1952 are tabulated below.

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● 434 The stringent ration of wheat flour, as fixed by the Communists in North China, is evidently insufficient to maintain a normal diet. In spite of the claim that higher yields of wheat are produced each year, it seems obvious that either this claim is false or a shortage exists only because the Communists have found it necessary to export wheat flour in order to build up their foreign reserves. An inadequate food supply will cause serious unrest and ultimately lower agricultural and industrial production.

471 As the result of government monopolies in domestic and foreign trade, most privately owned commercial firms either have been forced out of business or have been forced to accept "socialist transformation." In Tientsin, Peking, Shihchiachuang, and Taiyuan, over 30 per cent of the private merchants were unemployed during 1955 and the remainder were forced to accept what work they found available or operate at a loss. The growing employment problem in the cities of the North China Region demands immediate action, and measures like the Back-to-the-Villages Campaign have not met with popular support. Disaffection in the rural areas and discontent in the cities may swell opposition to the ranks of anti-Communists.

465 on the price of specified commodities. According to Chin-pu Jih-pao [Progress Daily], Tientsin, October 26, 1951, the monetary value of one wage-unit was equal to the sum of the retail values of the following commodities sold in the government stores:

Millet	0.48 catty
Flour	0.32 catty
Vegetable oil	0.05 catty
Coal	2.00 catties
Salt	0.02 catty
Cotton cloth	0.20 ch'ih

(One catty equals 1.10 lb; one ch'ih equals 1.09 feet.)

The monetary value of the wage-unit was announced daily by the local government. In North China it was first quoted at 2,323 yuan (old currency, about US$ 0.09).[22] In this region, the highest paid worker received about 300 units per month and the lowest paid worker about 60 units per month. The average earning per month was about 200 units, equivalent to 464,600 yuan (old currency, about US$ 18.00).[23]

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465 The Communists asserted that the earnings of Chinese workers were increasing with the

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[22] Progress Daily, Oct. 26, 1951, p. 2.

[23] Worker's Daily, Dec. 15, 1949; China Weekly, Feb. 14, 1955, pp. 13-21; Kung-fei Ti Min-chung Yün-tung [The Mass Movement in Communist China], Taipei, 1951, pp. 37-38.

434 465 advance in labor productivity. As monetary wages rose, the Communists claimed "this increase was not an attempt to keep pace with a rising cost of living but a real increase in the workers' living standard."[24] The Communists insisted that a real increase in wages was reflected in the higher purchasing power of the Chinese people. In North China, purchasing power was reported to have advanced 30 per cent from 1950 to 1951 and another 16.3 per cent from 1951 to 1952. (The amount of pork consumed in Peking was claimed to be six times greater in 1954 than in 1949.)[25]

An examination of the prices of daily necessities in mid-1955 shows that in comparison to average earnings the cost of living for the Chinese worker was still very high.[26] In North China at that time, the cost of one pair of men's socks was 0.70 yuan (about US$ 0.28), one catty (1.10 lbs) of sugar 0.76 yuan (about US$ 0.30), one catty of beef 0.72 yuan (about US$ 0.28), and one dozen eggs 0.72 yuan. During the same period, the monetary value of one wage-unit was quoted at 0.2553 yuan and the average monthly wage was about 200 units, approximately 50 yuan (about US$ 20.00).[27]

In spite of the high cost of living, the income of the Chinese workers is subject to

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[24] People's China, May 1, 1955, pp. 3-5.

[25] Economic Bulletin, Hong Kong, Feb. 24, 1953, p. 10; Dec. 31, 1954, p. 22.

[26] Communist China adopted a new currency system on March 1, 1955. One new yuan equals 10,000 old yuan or US$ 0.40.

[27] Ta-kung Daily, Tientsin, June 28, 1955.

434 465 many "voluntary" contributions, to various campaigns as well as the all-but-compulsory purchase of government bonds. In 1950, the Communist government issued Victory Bonds, and North China was allocated 1,500,000 points.[28] The workers in Peking, Tientsin, and Taiyuan were pressed to buy the bonds by trade union officials and Party members.

VI. LABOR WELFARE

A. Labor Insurance and Health

466 743 Under the Labor Insurance Law, promulgated by the Ministry of Labor in March 1951 and revised in January 1953, there has been an increase in health facilities in factories and mines in North China. In June 1954, this area had more than 200 sanatoriums and rest homes with a total of more than 6,000 beds, and several similar institutions were under construction.[29] In 1949, Tientsin completed a workers' hospital with a staff of 82 to care for 200 patients daily. Tangshan industrial district in Hopei Province has a modern hospital with 330 beds.[30]

466 456 Old age pensions have been introduced in Communist China under the Labor Insurance Law. The aged workers of the famous T'ung-jen

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[28] Worker's Daily, Oct. 1952, p. 2; People's China, May 1, 1953, p. 15.

[29] People's China, June 1954, p. 39.

[30] Worker's Daily, Dec. 2, 1949, p. 4; Tsu-kuo Tsai Ch'ien-chin [China Forges Ahead], Vol. II, Peking San-lien shu-tien, p. 296.

471 erage $1.71 per mu. For the part-owners and tenants the averages were somewhat smaller. (See Table 22.)

Trees on the farms and around the houses were estimated to be worth $30,125. Five-sixths of this amount was reported by the owners. Only $100 was reported by all the tenants. For the owners the average was $102.35 per farm. It was $20.60 for the 1–10 mu owner group and $144.85 for the 51–100 mu group. There was a big increase in the over 100 mu group, where the average was $404.15. All of the owner groups had an average of over $100 except the two with 20 or less mu. For the part-owners the averages were less than $75 for all groups and only $8.40 for the 1–10 mu group. For the tenants the averages were all less than $6.25, except for the 31–40 mu group. The one family in that group reported that it had $20 worth of trees. All the tenants' trees, of course, were around their houses in the villages.

Seed that was on hand and reported as farm capital averaged $8.75 per farm but was very largely an owner and part-owner item: $10.15 for the owners, $7.30 for the part-owners, but only $1.80 for the tenants. The amount for fodder was just half that for seed with none reported by the tenants. Fertilizer was such a small item that the 400 families reported a total of only $15.40 on hand.

Farm Income

434 Eighteen different crops were grown on the 400 farms. The total estimated value of the annual crop yield was $139,235, an average of $348.00 per farm. The average per-mu was $11.25.

The average crop yield per mu shows a very consistent agreement for the different ownership groups and for the different sized farm groups. For the three ownership groups the difference in the averages was only 25 cents. The amounts were tenants $11.10, owners $11.20, and part-owners $11.35. There was a slightly wider range in the different sized farm groups. There, except for the tenant groups with only one family, the variation was from $10.60 to $12.35. For the owners the range was from $10.70 in the over 100 mu group to $12.35 in the 21–30 mu group. The average did not show any tendency to increase as the size of the farm increased. For the owners the 1–10 mu and the 41–50 mu averages were the same and they were only five cents more than the over 100 mu average.

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Millet (ku-tzu) was the most generally grown crop. It was raised on all but two of the farms and was grown on 30.3 per cent of the crop mu and 36.8 per cent of the crop area. Glutinous and panicled millet were grown on a total of 3.9 per cent of the crop mu. The millets, therefore, were raised on just over one-third of the crop mu and 41.5 per cent of the crop area. The figures for both crop mu and crop area are given because of the 21 per cent double cropping.

Wheat and cotton were the next largest crops. Wheat was grown on 90 per cent of the farms and 9.9 per cent of the crop mu, cotton on 74 per cent of the farms and 9.1 per cent of the crop mu. Together they took 23.1 per cent of the crop area. The three crops, millet, wheat, and cotton, together accounted for 53.2 per cent of the crop mu and 64.6 per cent of the crop area.

Kaoliang, black beans, and sweet potatoes are the only other crops that had over five per cent of the crop mu. Sweet potatoes were grown on 95 per cent of the farms, black beans on 57 per cent. Rice was not grown by any of these families for only in another part of the hsien do springs provide the necessary water.

Sixty-two per cent of the crop mu and 75.2 per cent of the crop area were used for different kinds of grain.

Different varieties of beans, black, green, yellow, and white, were grown on 11.8 per cent of the crop mu. Root plants, sweet potatoes, peanuts, and turnips had 10.5 per cent. Miscellaneous vegetables were grown on 2.3 per cent and sesame on 4.3 per cent.

The millets produced the largest value, almost $35,000. Sweet potatoes were next with some $16,500. The cotton crop totaled some $15,000. Wheat was the only other crop valued at more than $10,000, but by-products, such as kaoliang leaves and stalks, bean vines, animal products, etc. were reported as amounting to $20,820.

Sweet potatoes, vegetables, peanuts, and cotton gave the largest return per mu, $16.20 for sweet potatoes, $10.95 for cotton. Green and white beans gave the lowest return, only $2.95 per mu. This, undoubtedly, was due to the fact that the beans generally were grown with another crop, kaoliang, panicled or glutinous millet. Those grains show a return of from $4.15 to $4.70 per mu, while the return from millet was $7.05 per mu and from wheat $9.10 per mu.

The farmers reported that they used 76 per cent and sold 24 per cent of the crops they produced. The chief money crops, judging by the pro-

1 [In Ting Hsien -- Analyst]

portion sold, were peanuts with 93 per cent, sesame with 92 per cent, cotton with 86 per cent, and wheat with 42 per cent. Green and yellow beans and buckwheat were the only other crops of which more than 8 per cent was sold. The bean figures were 15 and 18 per cent. The products sold represented a value of $33,330, an average of $83.30 per farm.

Cotton brought in the most money, $12,850; peanuts were next with $6,685, and sesame third with $4,590. Wheat with $4,435 and millet with $1,915 were the only other crops of which over $1,000 worth was sold. These five crops brought in some 91.5 per cent of the amount received. Complete figures are given for each crop in Table 25.

The proportion of the farm products sold increased as the size of the farm increased. For the owners it went from 12.5 per cent for the 1–10 mu families to 31.3 per cent for the over 100 mu group. For the part-owners the figures were very similar except that the 1–10 mu group sold only 7.8 per cent. The 1–10 mu tenant group reported selling 21.1 per cent of their crops, but the 11–20 mu group only 12.4 per cent. (See Table 26.)

Besides the crops used and sold, the families reported the sale of animals and animal by-products amounting to an average of $10.50 per farm. The amount was $2.50 for the 1–10 mu owners and $19.20 for the over 100 mu group. The owner and part-owner averages were practically the same, $10.90 and $11.00. The tenants reported only $3.00 per family or less than one-third the average for the other groups.

Miscellaneous farm income added an average of $5.50 per family. There was also a reported increase in the farm capital of $16.95 per family during the year. This came from the saving of farm products, such as seeds and fertilizer, the unsold increase in the number of farm animals, etc. When these are added to the crop income shown in Table 25, the reported gross income of the farms totaled $149,282, an average of $373.20 per farm. For the owners it was $427.55 with the amount increasing from $83.50 per family in the 1–10 mu group to $1,392.80 for the over 100 mu group. The part-owners' average was $305.90 and the tenants' $174.65. Again the differences in the averages were almost entirely due to the differences in the size of the average farms. The gross return per mu varied from $12.00 for the owners to $12.25 for the tenants. In the different sized farm groups, the averages ranged from $11.25 per mu for the 41–50 mu group to $13.10 for the 31–40 mu group. There appeared to be some tendency for the amount

per mu to decrease when the size of the farm increased beyond 40 mu, 434
but it was not regular nor was the amount large. 241

The very small differences in the per mu averages for the three ownership groups and the relatively close agreement of the averages for the different sized farm groups seem to indicate that, on the average, the reports on the 400 farms have been reasonably complete and accurate.

Farm Expenses

The cost of farm operation, including the estimated value of the 435
family and animal labor used on the farm, as well as the amounts spent for hired labor, rent, fertilizer, fodder, seed, taxes, implements, and house repair, totaled $63,359.20, an average of $158.40 per farm, $5.15 per mu. This was 42.4 per cent of the reported farm income. (See Table 27.)

The owner group reported the largest average expense, $166.10 per farm, and the tenants the lowest, $108.85. However, it was just the reverse for the expense per mu. That was $4.70 for the owners, $6.05 for the part-owners, and $7.65 for the tenants. The differences were largely the result of the rent paid by the tenants and part-owners. If we equalize the amounts by adding the rent value of the land owned by the owners and part-owners and the average hsien taxes on the rented land, the average cost of operation would be $8.45 per mu for the owners, $8.55 for the part-owners, and $7.75 for the tenants. If, on the other hand, we deduct rent and taxes from the different groups, the owner and part-owner costs were $4.60 and $4.70 per mu and the tenants' $3.90 per mu.

For the different sized farm groups the per mu operating cost varied from $4.00 to $5.45 for the owners, from $4.95 to $6.50 for the part-owners, and from $6.25 to $9.90 for the tenants. The lowest amount was usually in the 1–10 mu groups, the largest in the 11–20 or the 21–30 mu groups.

The value of the family and animal labor has been estimated and included as a farm expense. If these non-cash items are omitted, the money spent for the farm operation averaged only $59.00 per farm per year, or $1.90 per mu. Again, because of the rent item, the tenants had the largest average cash cost, $63.90. The part-owners' average was the smallest, $51.00. The owners spent $12.00 per farm more than the part-

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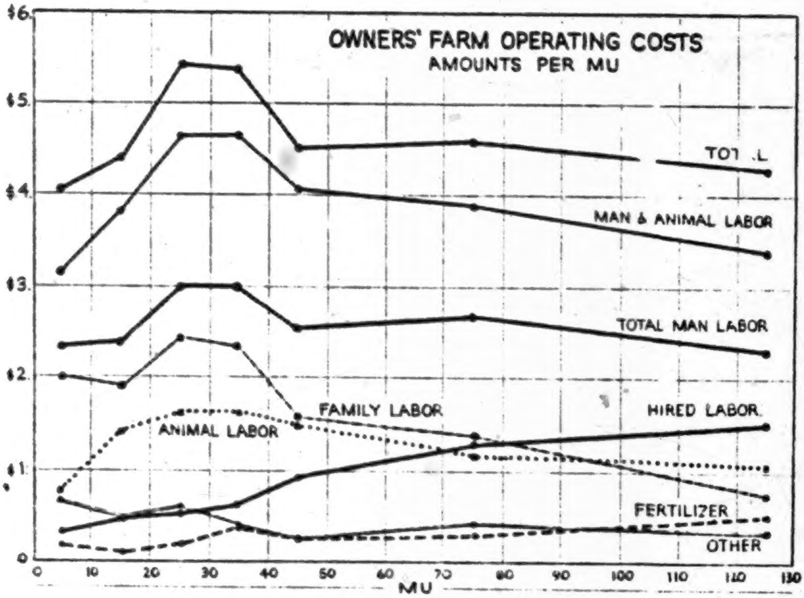

Figure 14. Farm Operating Costs, 400 Families

owners, principally because of the 10 mu difference in the average size of the farms. The average cash outlay per mu for the three ownership groups was $1.75 for the owners, $2.00 for the part-owners, and $1.50 for the tenants. The 1–10 mu owners operated with an average cash expenditure of only $8.15 per farm per year.

If rent and taxes are omitted, as well as the non-cash items of farm expense, the money spent for farm maintenance and operation was only 72 cents per mu for the tenants, 70 cents for the part-owners, and $1.65 for the owners.

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The value per mu of the labor and other items applied to their land by the owners of the different sized farms is shown in Figure 14. As might be expected, the amount of family labor per mu ordinarily decreased and the amount of hired labor increased as the size of the farm increased. The larger expenditures reported by the 21–30 and 31–40 mu groups would seem to indicate somewhat more extensive cultivation by those families. The extra labor investment was reflected in larger yields. The average amounts for those two groups were both over $12.00

per mu. For all but one of the other groups the amount was less than $11.00 per mu. The average was $11.20 per mu.

The amounts spent per mu for the different expense items by the three ownership groups are given in Table 27. For the average family only rent and labor (family, animal, and hired) amounted to more than $10 per year. For the three ownership groups only three items, again the amounts for rent and family and animal labor, were more than $1.00 per mu per year.

With no rent charge to meet, the owners could pay more for hired labor than the part-owners or the tenants. They paid $36.80 while the tenants paid an average of only $1.45 and the part-owners $5.75. The amounts per mu were tenants 10 cents, part-owners 23 cents, and owners $1.04.

Sixty-four full-time laborers were employed by 44 families. All but two of these families were in the owner group. There were none in the tenant group. Only three owner families in the over 100 mu group did not employ a full-time worker. The other families in that group averaged just over two workers per family. Fifty-four per cent of the 51–100 mu owners, 33 per cent of the 41–50, and 4 per cent of the 31–40 mu owners reported year-round laborers. The two part-owner families with full-time workers were in the 41–50 mu and the 51–100 mu groups. No family with less than 30 mu employed year-round labor.

Day labor was used sometime during the year by 152 families, 38 per cent. Forty-eight per cent of the owners, 21 per cent of the part-owners, and 24 per cent of the tenants used some day labor. For the owners the figures increased from 14 per cent for the 1–10 mu group to 68 per cent for the 31–40 mu group and 93 per cent for the over 100 mu group. The spring and fall harvests were naturally the times when most of the day labor was used.

The average number of days' work per owner family using day labor was 61. The figure varied from 19 for the 1–10 mu group to 43 for the 21–30 group and 101 for the over 100 mu group. For the part-owners the average, for those using day labor, was 28 days. The largest average was 52 days in the 11–20 mu group. The other averages varied from 10 to 29 days. Ten days was the average for both the 31–40 and the 41–50 mu group. The five tenant families used an average of 19 days of hired labor apiece.

Children were employed to help with the farm work by 22 families, 16 owners and six part-owners. The children evidently were employed on a daily basis and usually for a relatively short period.

One hundred and seventy-two families, 43 per cent of the entire group, reported that they had some hired labor during the year. For the ownership groups the proportions were owners 56 per cent, part-owners 23, and tenants 24 per cent, practically the same proportions as used day labor. For the owner groups the proportion varied from 14 per cent for the 1–10 mu group to 72 per cent for the 31–40 mu group, 88 per cent for the 51–100 mu group, and 100 per cent for the over 100 mu group. For the part-owners the proportion increased from 15 per cent for the 11–20 mu group to 64 per cent for the 51–100 mu group.

The average number of days of labor used by the reporting families was 217 for the owners, 55 for the part-owners, and 19 for the tenants. For the 1–10 mu owner group the average was 19 days. It was 645 days for the over 100 mu group. The part-owner averages generally ranged from 28 to 70 days except in the 41–50 mu group. There, one family reported having 310 days of hired labor, 300 days from one full-time worker and 10 days from men hired by the day. At least some men classed as "full-time workers" did not work during the winter season.

The average expenditure for labor in the 1–10 mu group was $2.20 per farm for the owners, 60 cents for the part-owners, and 55 cents for the tenants. For the 21–30 mu group, the average was $11.75. In the 51–100 mu group, the average amounts were tenants $6.00, part-owners $17.55, and owners $82.60. For the over 100 mu owners the average was $191.85. The larger farms required increasing amounts of labor beyond that available in the farm families. The field reports did not give the rates on which these amounts were calculated, but wages for a year-round laborer in 1931 were given as $45.00 plus room and board. First-class day laborers averaged 35 cents a day plus board, but the amount varied widely with the season. The rate, naturally, was highest at harvest time. The expenditure for labor and the reported number of days worked gives an average wage for all the laborers, year-round, day, and child of 30 cents a day.

The estimated value of the family labor used on the farm averaged $57.60 for the 400 families. The amount was $29.90 for the tenant group, $65.15 for the part-owners, and $56.30 for the owners. This was one instance where the part-owner figures were regularly larger than those for the owners. For the different sized farms the averages ranged from

$9.15 for the 1–10 mu tenant group to $129.45 for the 51–100 mu part- 434
owner group. For the over 100 mu owners it was $89.80. 241

If the value of the family labor and the cost of the hired labor are added together, the average amount of man labor used was $2.65 per mu. It was $2.20 for the tenants, $3.10 for the part-owners, and $2.65 for the owners. For both the 1–10 mu and over 100 mu owner groups the amount was $2.30 per mu. The highest owner amount was $3.00, the average for the 21–30 mu and the 31–40 mu group.

The reported value of the animal labor averaged $41.50 per farm. For the tenants the amount was $15.05. For the part-owners it was $36.15, more than double the tenant average, while for the owners the average was $46.75, just over three times the tenant figure. The per mu averages were much closer. They were tenants $1.05, part-owners $1.45, and owners $1.30.

Land rent averaged $53.60 per farm for the tenants and $31.55 for 427
the part-owners. The average per mu was $3.65. For the different sized 434
tenant farms the average rent per mu varied from $3.20 for the 1–10 mu group to $4.90 for the 31–40 mu group. It must be remembered that there was only one family in the latter group. The other single family tenant groups reported rents of $3.50 and $4.50 per mu. The village land owned by Chai Ch'eng was rented at $3.00 per mu. The records seem to show that the rented land was all let on a cash rather than a share basis.

Fertilizer cost the owners $11.15, the part-owners $5.60, and the 434
tenants $2.50 per year. The owners spent almost twice as much per 241
mu as the tenants, but even for the owners the average was only 31 cents per mu. The largest farm generally paid the most per mu, but the amount did not increase regularly as the size of the farm increased. The value of the fertilizer produced on the farm or collected by the boys was not included in these figures.

The cost of seed was the largest for the owners, $3.40, and the least for the tenants, $2.75. However, the tenants' cost per mu, 20 cents, was just twice that of the owners. The tenants apparently spent on seed the amount they saved on fertilizer, when compared with the owners.

Fodder was a very small item as most of the food for the animals came direct from the farm. The average expenditure for both owners and part-owners was $1.70. The tenant average was $2.65, owing to the expenditure of $16 and $20 by two families. From the per mu figures,

434 it is evident that, because of the small size of most of their farms, the
241 tenants had to buy more fodder for their animals.

The average rate for the hsien taxes was 10 cents per mu, but extras and surtaxes had raised it to 10.5 cents. The average reported by the
434 owners, however, was 10.1 cents. It was 10.25 cents for the part-owners. It would seem that some of the owners had been able to reduce the number of mu assessed to them below their actual holdings.

The reported farm expenses do not include any amounts for village assessments. Other studies have shown levies of 10 and 15 cents per mu in villages in Hopei province, for home guard, education, crop watching, village watchmen, etc.[3]

Implement repair cost the owners $1.50 per farm, the part-owners 67 cents, and the tenants only 23 cents. House repair was another small item. The owners spent an average of $4.80, the part-owners 85 cents, and the tenants only 70 cents. For the 1–10 mu owners, the amount was $2.15 per farm. It was only $1.30 for the 41–50 mu group, but $15.15 for the over 100 mu group.

The total farm expense varied from $26.70 for the 1–10 mu owners to $528.50 for the over 100 mu owners. The average was $158.40 per farm. The cost per mu was $4.70 for the owners, $6.05 for the part-owners, and $7.65 for the tenants. The per cent of the gross yield was owners 39, part-owners 50, tenants 62.

The net return per mu, if the value of the family and animal labor is counted as one of the operating costs, was owners $7.35, part-owners $6.05, and tenants $4.50. If family and animal labor value is not deducted, the amount per mu was owners $10.25, part-owners $10.05, tenants $7.75. The farm products used by the operator's family are, of course, counted as farm income. On the basis of our 21–30 mu families, whose average farm is approximately the average for the entire hsien, Ting Hsien families had an average net income from their farms of $187.00 per year, or $293.00 if the family and animal labor is not counted as an expense.

Family Income

A report of income received from other than farm sources, labor for others, rent of land, interest on loans, home industry, and business, made it possible to estimate the total family income. The average income from all sources was $347.30 per family. For the owners it was $395.55; for the part-owners $289.60; for the tenants $147.40. (See Table 28.) The owners derived less than 10 per cent of their average income from other than farm sources. The tenants received 23 per cent of theirs from non-farm sources.

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[3] Sidney D. Gamble, "Hsin Chuang", *Harvard Journal of Asiatic Studies*, vol. 8, no. 1 (1944).

Labor for others was largest in the tenant groups, an average of $10.75 per family. This was more than four times the owner average. The total amount reported by the 101 owners with more than 30 mu per family was only $25. No labor income was reported by the two tenant families with more than 30 mu, but the one family in the 21–30 mu group earned $45. The 11–20 mu tenant group averaged $19.15 per family. It is interesting to note that in the 1–10 mu group the owners had the largest average, $5.75. For the 1–10 mu part-owners and tenants the averages were $1.50 and $4.25 per family.

Rent from land was reported only by the owners. The total was $1,280, or the rent of about 350 mu. Even some of the 1–10 mu owners reported that they rented part of their holdings to others. They apparently rented some 80 mu.

Two owners reported receiving rent for a house. For one the amount was $1.00, for the other it was ~~$8.00 per year~~.

Some families in all the owner groups reported receiving interest on loans. Even for the 1–10 mu group the average was $1.75. For the 51–100 mu group it was $8.55. The amount was $19.45 per family for the over 100 mu group. The total interest reported was $1,036.40. No tenant families reported the receipt of any interest. Interest rates were commonly 2.0 and 2.5 per cent per month.

Business and home industry brought an average of just over $1.00 per month per family to the tenants, $1.50 a month to the owners, and just under $2.00 a month to the part-owners. For most of the different sized farm groups the average generally was between $10 and $20 a year, except for the 51–100 mu group, where the owner average was $39.35 and the part-owner $78.90. The total received from business and home industry was $7,835, just under $20 per family per year. The average gain from home industry was $11.25 per family. For the entire hsien the average was $12.50.

If the families are ranked according to the amount of their annual income the amounts range from under $50 to over $1,000. How they were divided is shown in Table 29. The income included the value of the family and animal labor used on the farm, the net return from the farm, labor for others, returns from home industry or business, rent, and interest. One wonders how the 10 families with incomes of $50 or less a year managed to get along. Their average income was $40.50, or just over $3.50 per family per month. And that amount included the value of the farm products used by the family. Those families certainly would have but little money to spend for any extras. Seven of the 10 were farm owners.

Over one-half, 52.4 per cent, of the tenant families had incomes of not more than $12.50 a month. About one-fifth of the owner and part-owner families were in that income range. Ninety per cent of the tenants, almost two-thirds of the part-owners, but less than one-half of the owner families received not more than $25 a month. None of the tenant families had incomes of more than $500 a year, but 11 per cent of the part-owners and 27 per cent of the owners received more than that amount. Only 17 families, 16 owners and one part-owner, reported incomes of more than $1,000 a year.

Income per Person

The amount of money available for family use, the cash income from farm produce sold, labor for others, interest, home industry, and business, minus the cash expense items of hired labor, rent, and taxes, averaged $75 per family per year, or about $1.00 per person per month. For the owner groups, the money income per person per year ranged from $8.15 for the 11–20 mu group and $10.85 for the 1–10 mu group to $17.55 for the 51–100 mu group and $19.10 for the over 100 mu group, or from 68 cents to $1.60 per person per month.

The farm produce used by the owner families amounted to $1.30 per person per month for the 1–10 group, and $6.60 for the families with over 100 mu.

Added together, the cash and produce figures give a per capita income of only $2.20 per month for the 1–10 mu owner families. The amount was less than $5.00 per person per month until the families had more than 50 mu of land. Even in the wealthiest families, because of the increase in the family membership, the income was only $8.20 per person per month. For the average family the amount was about $4.25 per person per month.

These figures of family cash income, produce used, and total income per person are probably the most significant of our study of the farm families for they show very clearly the 1927 basis of the monetary and economic life of Ting Hsien.

TABLE 15. OWNERSHIP, NUMBER, AND AREA OF FARMS

					Average	
	Farms	*Per Cent*	*Mu*	*Per Cent*	*Mu*	*Crop Mu*[3]
Owners	244	61.0	8,667	70.0	35.5	42.8
Part owners	135	33.8	3,410[1]	27.6	25.3[2]	31.5
Tenants	21	5.2	300	2.4	14.3	16.7
	400	100.0	12,377	100.0	30.9	37.6

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[1] Owned 2,248 mu; rented 1,162 mu. [2] Owned 16.7 mu; rented 8.6 mu.

[3] Total crop mu 15,044. Index of double cropping 121.

TABLE 27. FARM EXPENSES

435

	Per Mu			Average	21–30 Mu
	Owner	*Part-owner*	*Tenant*	*per Family*	*Group*
Hired labor	$1.04	$0.23	$0.10	$ 24.50	$ 11.75
Fertilizer	.31	.22	.18	8.80	6.75
Fodder	.05	.07	.19	1.75	2.90
Seed	.10	.12	.20	3.25	2.20
Implement repair	.04	.03	.02	1.15	.80
House repair	.14	.03	.05	3.25	3.45
Hsien taxes, owner	.10	–	–	3.55	2.65
——, part-owner	–	.07	–	1.70	1.65
Rent, part-owner	–	1.25	–	31.55	32.15
——, tenant	–	–	3.75	53.60	112.50
Est. value family labor	1.60	2.60	2.11	57.60	65.10
——, animal labor	1.32	1.43	1.05	41.50	41.15
Total or average	$4.70	$6.05	$7.65	$158.40	$153.45
Labor per mu, man				$2.65	
——, animal				1.35	
Land rent, average per mu				3.65	

TABLE 28. SOURCES AND AMOUNTS OF FAMILY EARNINGS

434

	Owner	*Part-owner*	*Tenant*	*21–30 Mu*	*Total*
Farm net	$257.15	$154.00	$ 65.70	$187.00	$212.30
Labor on own farm (family, animal)	102.65	99.90	47.60	106.00	99.40
Labor for others	2.55	8.00	10.75	3.85	4.85
Rent of land	5.30	–	–	–	3.20
Interest on loans	3.95	.55	–	1.25	2.60
Home industry	10.95	12.45	7.80	11.95	11.25
Business	7.15	10.90	5.25	3.95	8.30
Other	5.85	3.80	10.30	6.05	5.40
	$395.55	$289.60	$147.40	$320.05	$347.30
Per person per month	$ 4.85	$ 4.05	$ 3.03	$ 4.30	$ 4.58

TABLE 29. FAMILIES AND AMOUNT OF INCOME
(percentages)

	Owner	*Part-owner*	*Tenant*	*Total*	*Average Amount*
$ 50 and under	2.9	0.7	9.6	2.5	$ 40.50
51–100	6.9	3.7	19.0	6.5	81.25
101–150	12.3	16.3	23.8	14.3	127.10
151–200	11.1	15.6	19.0	13.0	175.15
201–300	14.3	28.2	19.0	19.3	246.30
301–500	25.4	24.4	9.6	24.2	394.65
501–1,000	20.5	10.4	–	16.0	647.90
Over 1,000	6.6	0.7	–	4.2	1,283.45
	100.0	100.0	100.0	100.0	$ 347.30

of time worked during the year we have taken the workers' estimate of 438
the time they spent on home industry, reduced it to 10 hour days and figured the average earnings per day. The average number of full working days reported in the different villages varied from 81 to 190 for the males and from 51 to 190 days for the females. The top figures for the men and women were the same as they were for the mat weaving village, where no sex division was possible. The figures indicate that generally the males engaged in home industry worked an equivalent of between three and four months of full time days a year, the females between two and three months.

The amount of earnings per full working day showed considerable 438
consistency even though they had to be based on estimates. For the men 434
the amount was around 15 cents per day. For the women it was eight or nine cents per day, less than one cent an hour.

The total annual income from all sources was estimated to be $226,460. Twenty per cent of the income came from the profit on home industries. The average income was $185 per family and $34.20 per person. These average amounts were only 53 and 63 per cent of the corresponding averages for the 400 farm families. In the six villages the average annual income per family varied from $152 to $249, the amount per person from $30 to $39.50.

The reported expenditure averaged $155 per family, $29.70 per person. 511
There was an apparent surplus of $30 per family, but probably 438
much of this was the result of omissions in estimating the family expenditure and the actual surplus was considerably less than that amount. Thirty per cent of the families reported a deficit.

In one village four of the 274 home industry families reported incomes 434
of less than $50 per year. These probably were the three single
person families, all males, and one of the two person families. Twenty 438
families reported expenditure of less than $50 per year. This was two-thirds of the one and two person families in the village. Only one out of eight of the families reported incomes of $25 or more per month. For all the home industry families in the village the average income was $178 per family, $39.50 per person. The expenditure was $138 per family, $31 per person per year.

TABLE 35. FAMILY INCOME AND EXPENSES

Income reported, total	$226,460	Families reporting:		438
Per family	$185.00	Surplus	784	511
Per person	$34.20	Deficit	374	434 ●
Proportion from home industry	20.2%	Balanced budget	62	
			1,220	
Expenses, total	$188,925			
Per family	$155.00	Amount of surplus	$45,035	
Per person	$29.70	Amount of deficit	$7,560	

Income and Expense Distribution
Village No. 1

Amount	*Income Families*	*Expense Families*
Under $50	4	20
50–99	53	60
100–149	65	80
150–199	61	50
200–249	22	41
250–299	35	19
300 and over	34	4
	274	274

Average Income and Expense

Village	*Income per Family*	*Income per Person*	*Expense per Family*	*Expense per Person*
1	$178	$39.50	$138	$31.00
2	249	35.70	202	30.20
3	196	30.00	174	26.80
4	162	33.70	144	30.60
5	182	38.70	171	36.20
6	152	34.30	113	25.20
	$185	$34.20	$155	$29.70

511 income groups. The same was true of the income per person figures. Generally the amounts were about $4.00 per month per person and $5.00 per month per adult male equivalent. The lowest amounts were in the $100–$200 group, the highest in the $300–$400 group rather than in the $400–$500 group. The $300–$400 group average per adult male equivalent was only 11 per cent above that of the $100–$200 group.

434 511 The sources of the family income, shown in Table 37, include three sources of farm income: crops, land rent, and other farm income. Crop income is the net income after paying the necessary operating expenses. It includes the cash income from any crops sold and the value of the crops used by the families. It averaged generally between $6.50 and $7.00 per mu. Only three families reported crop income of more than $10.00 per mu. Five families reported less than $5.00 per mu.

The averages were somewhat higher than those given by dividing the average crop income by the average number of mu per family, as eight of the families rented to others part of their land holdings. The total amount received from this source was $139.45. The records do not give the exact number of mu rented, but an average rate of $3.50 per mu would make it 40 mu. That amount has been deducted in figuring the crop income per mu.

Other farm income included the value of animals and animal products sold or used on the farm, also the value of wood from the farm trees. Four-fifths of the families received some income from this source, the amounts ranging from $6.00 to $185.00. The latter, undoubtedly, was the family that sold a horse. The next largest amounts reported were $71 and $68. All of the 27 families reporting income from animals either sold or used some pork. The majority listed eggs, nine wood. Three sold mules. The sale of the mules and the horse may have represented the sale of a capital item rather than current income, but, lacking definite information, we have counted the amount received as part of the family income.

"Miscellaneous income" included wages earned, business profit, and other occasional items. Twenty-four families reported amounts varying from 70 cents to $150. For four families, the amount was over $75. They all received $130 or more. Three of the four families were in the $400–$500 income group.

511 427 House rent was purely a bookkeeping item, entered on both the income and expense side of the family accounts, as all of the families

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511

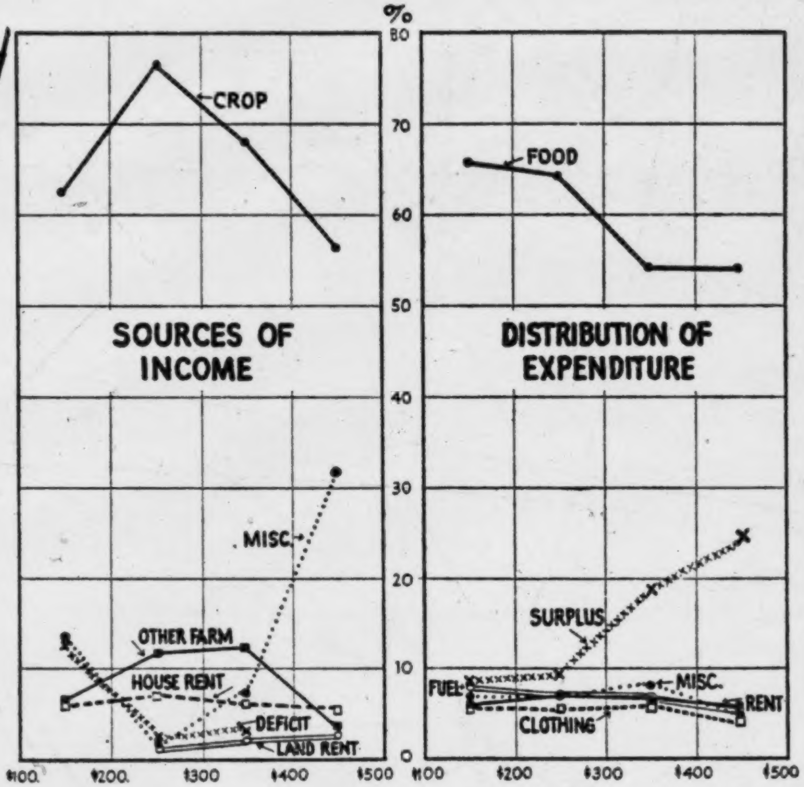

FIGURE 16. BUDGET FAMILIES: DISTRIBUTION OF FAMILY INCOME AND EXPENSES

511 portionate increase in the food expenditure was fairly comparable with that in the other expense classifications. Surplus, on the other hand, increased some eight times while the family income increased less than three times. Some of the large increase in surplus was, undoubtedly, due to unreported expenditure, but much of it represented family savings in one form or another.

The percentages of the family expenditure used for the different expense classifications generally followed the usual family budget pattern. The proportion used for food decreased from 65.5 to 54.0 per cent and that for miscellaneous and surplus together increased from 15.3 to 30.9

TABLE 37. SOURCES OF FAMILY INCOME

434

Income Group	*Crop*	*Other Farm*	*Land Rent*	*House Rent*	*Misc.*	*Deficit*	*Total*
			Amount				
$100–200	$103.80	$10.50	$ –	$ 9.45	$ 21.60	$21.40	$166.75
200–300	201.60	30.40	2.60	18.55	5.75	3.75	262.65
300–400	237.35	42.00	5.55	22.35	28.55	9.20	345.00
400–500	257.50	17.00	12.65	24.85	142.65	–	454.65
Average	198.25	29.30	4.10	18.55	30.95	9.80	290.95
			Per Cent				
$100–200	62.2	6.3	–	5.7	13.0	12.8	100.0
200–300	76.8	11.5	1.0	7.1	2.2	1.4	100.0
300–400	68.7	12.2	1.6	6.5	8.3	2.7	100.0
400–500	56.6	3.7	2.8	5.5	31.4	–	100.0
Average	68.1	10.1	1.4	6.4	10.6	3.4	100.0
Number reporting	34	27	8	34	24	10	

TABLE 38. AVERAGE ANNUAL EXPENDITURE

511

Income Group	*Food*	*Clothing*	*Rent*	*Fuel*	*Misc.*	*Surplus*	*Total*
			Amount				
$100–200	$109.20	$ 8.75	$ 9.45	$13.80	$11.35	$14.20	$166.75
200–300	165.70	13.45	18.55	18.70	17.75	28.50	262.65
300–400	186.40	18.25	22.35	22.40	29.60	66.00	345.00
400–500	245.65	19.65	24.85	23.95	24.50	116.05	454.65
Average	167.95	14.85	18.55	19.55	21.70	48.35	290.95
			Per Cent				
$100–200	65.5	5.2	5.7	8.3	6.8	8.5	100.0
200–300	64.1	5.2	7.1	7.2	6.8	9.6	100.0
300–400	54.0	5.3	6.5	6.5	8.6	19.1	100.0
400–500	54.0	4.3	5.5	5.3	5.4	25.5	100.0
Average	57.7	5.1	6.4	6.7	7.5	16.6	100.0

634 the court. "Because of the inconvenience to the people" the separate court was abolished in the spring of 1914. Instead of having separate assessors, the judicial cases were handled by officers who were sent by the provincial government at the request of the magistrate. Ting Hsien had two such officers, one for civil and one for criminal cases.

634 647 434 The hsien government was reorganized again in 1928 after the forces of the Nationalist Government had taken Peking and unified the government and "the Republic had been established in the victory of the Revolution". There were then three sections and the four bureaus of public safety, finance, education, and construction. The First Section was in charge of police, fire protection, sanitation, health, relief, forest protection, and census. The Second Section was responsible for lands, agriculture, engineering, roads, bridges, waterways, labor, industry, business, schools, libraries, museums, and parks. The Third Section looked after the fiscal affairs of the hsien, appropriations for the hsien budget, taxes in money and grain, taxation on land, loans, public lands, local finance, audit, and the handling of hsien funds and hsien property. The work of each section was in charge of a section head, an assistant head, and from three to five clerks. The monthly salary of a section head was $60, of his associate from $30 to $40, of a clerk $11. The heads of the three sections and the four bureaus met weekly as the hsien government committee to discuss problems and plan for the improvement of the administrative program.

634 In 1928 another effort was made to establish a separate court of justice responsible to the high provincial court rather than to the magistrate. The court was organized with a judge, a judicial officer and five clerks, a prison staff of 12, a prison head, one matron, 10 guards, 10 judicial police, and 10 regular police. The budget of the court was $480 a month, or $5,760 per year. This was paid from the provincial treasury rather than from hsien funds.

In spite of the new organization the court was not entirely removed from the control of the magistrate. He generally was able to influence the high court in the appointment of the judge and he had to review and approve all court decisions before they were carried out.

634 665 The reorganization of 1928 added the Kuomintang (Nationalist Party) Board and its subsidiary organizations to the hsien political machinery. Members of the Kuomintang had been working secretly in Ting Hsien from 1924, and thus were prepared to develop an organiza-

the cash, and an additional surcharge of 49.2 per cent designated for 651
the police and for education. After 1914 these items were combined into a single levy. In 1927 the total was 60,206,017 cash or $16,051.91. In 1929 the rate was more than doubled. The total was $33,578.04. This was 30 per cent of the provincial levy.

Together the provincial and hsien levies for 1929 totaled $144,938. The combined rate was 48.52 cents per o nei mu (from 13.9 to 3.47 cents per standard mu) and 6.89 cents per o wei mu. The overall average was just under 10 cents per standard mu.

Most of the villages collected "crop money" from the owners and 625
operators of the surrounding farm land, in order to pay the village expenses 651
for crop watching, night watchmen, local police, home guard, schools, and the demands of the military forces. The rates for the Ting Hsien villages were not available but in a village about 25 miles south the charge varied from 12 to 23 cents per mu during the five year period, 1927-31. The highest rate was in 1928 when the military demands were especially heavy.[1] In 21 multi-village areas near Peking the fall "crop money" ranged from 15 to 70 cents per mu in 1929 and from 18 to 45 cents in 1930. For the individual areas the averages for the five years, 1929 to 1933 inclusive, ranged from 19.5 to 54 cents per mu. For 13 of the 21 areas the five year average was between 30 and 45 cents per mu. The average annual assessment of the 21 areas ranged from 30.6 to 36.4 cents per mu.

Transfer taxes were levied on all land sales and on mortgages. The 651
latter were taxed as they involved a definite land transfer. The mortgagee 424
regularly took possession of the mortgaged land and held and
used it until the mortgage was repaid. The income from the land went 434
to the mortgagee in lieu of interest on the loan.

The tax regulations required the village land supervisors, village 651
gentry, to witness the signatures on land deeds and to see that the transfer 424
taxes were paid within six months. Delay beyond six months brought
a 100 per cent penalty. If delayed beyond one year the penalty was 200 687
per cent and beyond two years 300 per cent. Concealing the value of the land transferred, or the amount of the mortgage, incurred penalties of from 100 to 500 per cent depending on the amount of the discount, 100 per cent for undervaluations up to 20 per cent and 500 per cent if over

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[1] Sidney D. Gamble, "Hsin Chuang", *Harvard Journal of Asiatic Studies*, vol. 8, no. 1 (1944).

An attempt was made to discover whether there was any generally 241 adopted plan of crop rotation, but the best we could do was to secure a long list of three-year programs. On irrigated land some farmers were growing six crops in three years with wheat or barley as the winter crops and three years of millet or two years of millet and one year of beans as the summer crops. In another group of fields squash was planted between the rows of barley for two years and barley was grown alone the third year. The summer crops were millet one year and cabbage, carrots, and turnips two years. Another combination was one year of garlic and two of wheat with two years of millet and one of beans. More often the program called for five or four crops in three years. Usually, millet was the only crop one year.

On unirrigated land there was usually but little double cropping. At most four crops were raised in three years. Black beans were one of the crops in many of the dry land combinations. Millet was included in nearly all the combinations for both irrigated and unirrigated land. It naturally would be as it was planted on more than one-third of the crop area and just under 30 per cent of the crop mu.

The farmers made some interesting comments on their crop rotation programs. One said that it was possible to grow sweet potatoes two years in succession, but, while the potatoes would be larger the second year, the total weight of the crop would be less. Another stated that sesame could be grown on a plot only once in ten years. Cantaloupes could be grown for two years, but then it would be necessary to wait seven years as much of the crop would die if the interval between plantings was shorter.

One cotton farmer showed no rotation in his three-year program. He admitted it would be better to rotate, but said he could not do it as he had only one field.

The value of the Ting Hsien crops was estimated as just over $16,000,000. 434 Five crops were worth more than one million dollars each. 241 Millet had the largest value, $3,550,000. Wheat was next with $2,690,000. Sweet potatoes were third with $2,310,000. Cotton followed with $1,770,000 and black beans were fifth with $1,325,000. Peanuts and kaoliang were the only other crops valued at over $500,000.

The 1931 prices for the various crops are shown in Table 70. They ranged from less than one cent per catty for carrots and turnips to five cents a catty for peanuts and 14.7 cents per cotton. The highest price

434 was the $1.60 per catty for onion seed, but that crop totaled less than 2,000 catties.

241 For the bulk grains the prices ranged from 40 cents a tou for barley to 88 cents for wheat and $1.16 for rice. Millet, kaoliang, corn, and buckwheat were all priced between 50 and 54 cents per tou.

The average gross return per mu for the grain crops ranged from $5.00 for kaoliang and $5.50 for barley to $8.60 for wheat and $11.80 for rice. The legumes averaged $6.00 per mu. The gross income from vegetables ranged from $20.00 per mu for carrots to $45.20 for cabbage. The figure for turnips was $53.30, but this probably is high, as most of the turnips were grown with buckwheat and the allocation of one-half the area to turnips is an arbitrary and possibly inexact division. The same situation may influence the figures for the legumes and, to a lesser extent, the figures for buckwheat, kaoliang, and millet.

For the oil seeds the figures were $8.00 per mu for sesame and $12.40 for peanuts. Cotton gave a gross return of $14.60 and tobacco $22.50 per mu.

The fruit trees returned amounts generally ranging from $30 to $62 per mu. Apricots and pears gave the highest return. Dates produced only $17 per mu. No return was reported from the timber trees that had 3.8 per cent of the crop area.

The average gross return from all crops was $8.75 per crop mu. It was $11.25 per mu of crop area. This was some $240 per farm family per year. The average crop value per capita was approximately $40 per year. These figures are basic in any picture of the economic life in an agricultural community and determine to a large degree the economic level of life in Ting Hsien.

Farm wages current in 1930 and the rates for 1912 and 1921 are shown in Table 71.

Room and board, three meals per day, were given to all workers. Four special meals with meat and wine were usually given during the year—at the end of the wheat harvest, at the middle of the summer crop season, at the end of fall harvest, and at the end of the work year.

It will be noted that, in general, the 1930 rates were about three times those for 1912. This 200 per cent increase in wages would seem to indicate an increase of some 70 per cent in the real wages of the workers, as the general index of wholesale prices in North China, compiled

by the Nankai Institute of Economics, increased about 75 per cent from 434
1912 to 1930.[2] 241

Full time year round farm laborers were employed by 11 per cent of the 400 farm family group and by 10.1 per cent of the 515 family group. In the latter group the largest number employed by any one family was three. Only three families had that many helpers. Two per cent of the families with less than 50 mu, 30 per cent of the families with from 50 to 99 mu, and 72 per cent of the families with 100 or more mu of farm land employed full time workers. The average number of employees per family was 1.4 for the families with 100 mu or more and 0.5 for the 50–99 mu group, but only 0.02 for those with less than 50 mu. On that basis the number of full time hired farm workers in the hsien was some 6,300.

It was reported to be customary for the employers and their full time 434
employees to discuss wages for the coming year at the time of the fall
festival, the 15th of the 8th moon. When they and the middle man 574
(conciliator) had had a good meal and had drunk wine together and 527
while they were enjoying looking at the beauty of the full moon they would settle the rates for the coming year. Full time workers were generally paid in two instalments, at the beginning of their term and at the end of the year.

The monthly rates were usually the wages paid the seasonal workers, 434
those who were taken on at the beginning of the growing season and 241
laid off after the harvest. The seasonal workers were usually paid at
Ch'ing Ming for the entire season. If, later on, they left or had to be let 464
go their employer generally did not attempt to recover any unearned wages. The first of the tenth month or the first of the second month were the times when the full time workers hired by the year began their work. Some of the semi-permanent men worked from the 16th of the first month to the first of the 10th month.

For extra men, to work by the day at harvest time, spring and fall, the employers went to the "man market" which usually was held before sunrise at some central place in the village. The employers would circulate among the waiting workers quoting the price they would pay. The "condition of the market" would naturally push wages up to a peak at the height of the harvest and drop them rapidly thereafter. Our

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[2] National Tariff Commission, *The Shanghai Market Prices Report*, Shanghai, October–December, 1933.

241 daily rates are those paid under normal conditions rather than the harvest peak. 434

The holidays and festivals usually observed in the Experimental District were:

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First Days of the First Month: New Year Festival
15th of the First Month: Feast of Lanterns
2nd of the Second Month: The Dragon Raises His Head
21st of the Third Month: Pei Ch'i Temple Fair
5th of the Fifth Month: Spring Festival
13th of the Sixth Month: Kuan Kung Festival
15th of the Eighth Month: Fall Festival
9th of the Ninth Month: End of Work in the Fields
Tung Chih: Beginning of Winter
8th of the Twelfth Month: La Pa

TABLE 58. CROP AREA PER FAMILY, VILLAGE AVERAGES

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	1st District		*Experimental District*		*Hsien*	
Mu	*Villages*	*Per Cent*	*Villages*	*Per Cent*	*Villages*	*Per Cent*
Under 10	–	–	–	–	11	2.4
10–14	2	2.8	1	1.6	64	14.1
15–19	13	18.3	15	24.3	142	31.4
20–24	31	43.7	23	37.1	108	23.8
25–29	21	29.6	12	19.3	67	14.8
30–34	3	4.2	6	9.6	33	7.3
35–39	1	1.4	4	6.5	13	2.9
40–44	–	–	–	–	8	1.8
45–49	–	–	–	–	2	0.4
50 and over	–	–	1	1.6	5	1.1
	71	100.0	62	100.0	453	100.0

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TABLE 66. PROPORTION OF LAND VALUE PAID AS RENT, TWO VILLAGES

	Village No. 1		*Village No. 2*	
Land Value	*Average Rent*	*Per Cent of Value*	*Average Rent*	*Per Cent of Value*
Under $25	$1.10	5.5	$1.15	5.9
25–49	2.40	6.0	2.85	8.[illegible]
50–74	3.80	6.3	4.85	8.3
75–99	5.40	6.4	5.35	6.4
100–149	6.00	5.3	6.80	6.5
150 and over	7.50	5.0	–	–
Average	5.25	5.9	4.50	7.1

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TABLE 67. CASH AND CROP RENT, SIX VILLAGES, 1928

	Cash Rent		*Average Rent*	
Land Values	*Rent*	*Per Cent*	*Cash*	*Kind*
First class, $75–$120	$5.50–$7.00	5.0–7.3	$5.60	$4.90
Second class, $40–$80	$2.00–$4.00	5.0–7.8	$3.30	$2.60
Third class, $10–$40	$0.50–$1.00	5.0–6.0	$0.70	$1.20

Crop Rent, Amounts

	Cotton	*Millet*	*Wheat*	*Kaoliang*
First class	35–40 catties	5.5–7.0 tou	3.5 tou	–
Second class	20–25 "	2.0–4.0 "	1.4–2.0 "	4.0 tou
Third class	8–10 "	1.5 "	0.6–1.0 "	2.0 "

Crop Prices

	Cotton	*Millet*	*Wheat*	*Kaoliang*
1928	$0.145	$0.72	$1.30	$0.83
1931	0.128	0.50	0.88	0.543

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TABLE 68. SIZE OF FARMS OPERATED

Area	*Number*	*Per Cent*	*Mu*	*Per Cent*	*Average*
Under 25 mu	47,105	70.1	539,310	37.9	11.4
25–49	15,010	22.3	482,950	33.9	32.2
50–99	4,319	6.4	286,960	20.1	66.5
100–299	840	1.2	109,760	7.7	130.7
300 and over	15	–	5,950	0.4	396.6
	67,289	100.0	1,424,930[1]	100.0	21.2

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[1] Includes 8,070 mu of publicly owned land.

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The production from the individual plots showed a wide range varying from 3.5 to 16 tou per mu for wheat and from 6 to 30 tou for corn. The averages for wheat, corn, barley, and millet were, however, similar. They all were between the 12 tou for wheat and the 13.6 tou for millet. Buckwheat averaged only 7.5 tou. Cotton production varied from 70 to 140 catties per mu, except for one farm that produced only 16 catties. Something very unusual must have happened to that plot. The cotton average was 95 catties per mu or approximately 750 pounds per acre.

The straw, stalks, and dried vines all had enough value to be counted as part of the farm production. The amounts reported varied from a minimum of 37 catties for one buckwheat farm to a maximum of 500 catties for a millet farm. For buckwheat the average was 105 catties. or wheat it was 145 catties. For barley and millet it was some 250 tties per mu. Beans grown on two millet plots and cabbage grown on ve buckwheat plots were included in the by-products.

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The prices quoted for the farm products varied to a considerable egree, possibly reflecting differences in quality and also possibly a market to market difference in price. The averages per tou were barley 63 cents, buckwheat 93 cents, corn 65 cents, millet 66 cents, and wheat $1.04. For cotton the average was 14.3 cents per catty. These prices were all considerably higher than the 1931 figures found in our hsien wide crop study. (See Chapter X, Table 70.) A weighted index number for the five grains showed a 20 per cent drop in 1931.

In Peking the 1931 weighted index number for the food items included in the working class family budgets was 17.3 per cent below the 1930 figure. In Tientsin the drop was 8.5 per cent.[2]

The average prices per 100 catties for the by-products were barley 46 cents, buckwheat 39 cents, corn 39 cents, wheat 42 cents, millet 65 cents, and cotton 95 cents. Beans were quoted at $1.00 and $1.20 per tou, cabbage at three, four, and five cents per catty.

The grains produced an average gross income of $9.50 per mu. Of this, $8.20 was for grain and $1.30 for straw and other products including a few beans and a little cabbage. The gross income from cotton was $14.85 per mu, considerably more than for any of the grains, but this was offset by the higher rent and cultivation costs.

Corn gave the largest average net return. Barley was the only crop

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[2] National Tariff Commission, *The Shanghai Market Prices Report*, Shanghai, October–December, 1933.

434 to show a loss but the profit from wheat was only three cents per mu. The best wheat farmer had a profit of $8.39 per mu. The poorest wheat crop showed a loss of $4.63 per mu. The largest loss reported by any farmer was $6.82 per mu for barley. The largest single gain was $14.57 per mu from corn.

The figures show that the average farm family received most of its income from the rent value of its land and the value of its labor. Its profits from its farming operations were relatively small. With the drop in prices in 1931 they would practically disappear.

more than $50,000. Eye medicine, for which Ting Hsien is famous [278]
throughout China and southeast Asia, had the largest total, $303,000, 438
produced by 18 shops. This was 40 per cent of the city production. The
other four large industries were cotton ginning, cakes and condiments, 472
flour milling, and shoes. The five industries together accounted for 78 per cent of the city's total output.

Four of the 31 village industries, cotton ginning, timber, flour milling, and brick making, had totals of more than $150,000. Only one, cotton ginning, was over $300,000. Its total was $1,811,840. The four industries included 83 per cent of the village industry total.

Five of the 88 home industries—cotton cloth weaving, cotton thread spinning, pig bristle sorting, reed mat weaving, and bean curd making—had totals over $150,000. Three—spinning, weaving, and bristle sorting—were over $500,000. Cotton cloth weaving was the only one over $1,000,000. Its total was $2,307,000. The five industries accounted for 85 per cent of the home industry total.

In the detailed tables we have given an estimate of the rate of profit 435
or gain as a percentage of the value of output of each industry. These 438
can only be rough averages, for the proportion naturally varied from
shop to shop and family to family, but the figures show what those in 472
each industry thought was the general rate for their business. The range was from 3 per cent for the home industry vermicelli makers to 52 per cent for the eye medicine makers and 68 per cent for those making the screens used in making paper. The vermicelli makers were able to continue with a low profit because the residue from their operations was good food for pigs.

Four of the city industries reported profits of more than 30 per cent and four less than 10 per cent. Eye medicine was the highest. Vermicelli making was the lowest, with 8 per cent.

Six village industries had average profits over 30 per cent, three were under 10 per cent. Cotton ginning was the lowest with 6 per cent, pewter the highest with 47 per cent.

Because no wages were involved in the home industry figures their 434
gain or profit rates ordinarily were higher than those of the shops. Six 438
of the 86 reported rates were 60 per cent or more, 27 were over 30 per
cent, seven were less than 15 per cent, but only one, vermicelli making, 472
was less than 10 per cent. It was 3.0 per cent.

The average gain per worker per year for the different home indus-

434 tries ranged from $2.90 for the thread spinners to $427 for the wine
438 makers. For eight industries the amount was over $100 but, except for
bristle sorting, these were industries with few workers. Five of the eight
472 industries had not more than 10 workers. For seven industries the amount was less than $5.00 per worker per year, for 14 it was less than $10.00. The seven industries with the lowest amount per worker included 46 per cent of the workers, the top eight industries only 0.6 per cent. The gain of each group was almost the same, 13.8 per cent of the total gain for the lowest group and 13.0 per cent for the top group. The industries with gains of not more than $10.00 per worker per year included 90.5 per cent of the workers, but only 59.3 per cent of the total gain.

Only seven of the 88 home industries—spinning, weaving, bean curd, vermicelli, noodle and soap making, and sesame oil pressing—were reported from all six districts of the hsien and could be said to be hsien wide. Sixty-one per cent were found in only one district.

438 Every village had at least one home industry, but none had more than
472 eight. The average was 3.4. Spinning was the most widespread. It was
reported by all but 16 of the 453 villages. Weaving was done in 378 vil-
463 lages. Bean curd was made in 249, vermicelli in 94, noodles in 77, and sesame oil in 51. These six industries were the only ones found in more than 10 per cent of the villages. Only five other industries were reported by 10 or more villages. Thirty-nine industries, 44 per cent, were reported by only one village; another 17 were found in only two villages.

438 Very little metal and woodworking was done as home industry. To-
gether their output was only 2.1 per cent of the home industry total. All
326 but one of the different types of metal work were reported by only one
463 village. Only 26 families were doing metal work. Only one type of wood work, pitchfork making, was reported by more than three villages. It was carried on in seven villages. The output of the metal and wood working shops in the city and villages was some five times that of the home industry families. Itinerant blacksmiths and carpenters helped to meet the community need for metal and wood work. Not a few of the metal workers were Shansi men who came down to the coastal plain for work. They brought Shansi iron with them and added to it by accepting locally available scrap in part payment for their work.

472 Almost three-quarters, 72.5 per cent, of the 204 city shops were small
438 businesses with less than five workers. Only one per cent had more than
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14 workers. They were two large eye medicine shops, one with 25 work- 472
ers, the other with 45. 438

The 824 workers in the city shops were divided: 463

	Number	*Per Cent*
Manager, accountants, clerks	119	14.4
Workmen	543	66.0
Apprentices	162	19.6
	824	100.0

The 162 apprentices were being trained in 117 of the shops, 58 per cent. The training period ordinarily was three years. In some cases it was three years plus a festival. In a few trades it was four or even five years. All the boys were given room and board. Some shops also provided their clothing. No regular wages were paid the apprentices but in most cases they were given presents of money at New Year's time. The amount was usually $5.00 or $10.00 depending on the time the boy had been with the shop. As so many of the shops had relatively few workers there were only 10 that had more than one or two apprentices. One large eye medicine shop reported 10. There was an average of one apprentice to 4.1 other employees and one apprentice to 3.4 other workmen.

The wages paid by some of the shops are shown in Table 94: daily 434
from $0.45 to $1.00, monthly from $3.50 to $30, and yearly from $30 to 438
$70—all plus board and tips.

The estimated value of the goods produced by the city shops totaled 472
some $731,000. This was an average of just under $300 per shop per month. For one-third of the shops the amount was less than $85 per month. Only one-fifth of the shops produced as much as $250 per month.

The estimated profit of the city shops was some $216,000, almost 30 435
per cent of the value of the output. The high rate of profit of the eye
medicine shops, 52 per cent, and their large proportion of the output, 438
42 per cent, were largely accountable for this high average. Only 10 in- 472
dustries reported a rate of more than 20 per cent and only five more than 25 per cent. Only 20 per cent of the shops were in the "more than 20 per cent" group.

Profits were less than $200 a year for 53 per cent of the shops. Only 14 per cent made as much as $50 a month. Three shops, evidently eye medicine shops, were in the $10,000 a year and over group.

The best reports and estimates we could get on the amount of capital invested in the city shops gave the total as $77,160, an average of only

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were largely consumed on the farms. Processing cotton was the chief local industry. Cotton products were 56.4 per cent of the industrial output and more than four out of every five industrial workers worked on cotton. The entire process was carried on with simple, usually locally made, hand or foot powered machines. The machine spun thread generally used for the warp of the locally woven cloth came from Tientsin or Shanghai.

Ginning was done on foot powered machines with which a man could process about 80 catties of lint a day. Most of the work was done on a piece work basis with the workers paid $1.10 per 100 catties in 1931, but only 75 cents in 1933. The ginning machines cost some $25. The ginning shops ordinarily made no cash charge for their work, but instead kept the seed from the ginned cotton. If the ginning was paid for in cash the charge was three or four cents per catty.

A considerable portion of the ginned cotton was teased into batting for use in bed quilts and padded winter clothing. This, too, was done on a foot powered machine. Again the average output was some 80 catties of lint per day. The price of the batting machines, according to one report, was some $40. Another report gave the cost as $75.

The batting used to be done by hand by working a vibrating wire through the cotton. The wire, stretched taut across a bow, was vibrated by hitting it with a wooden stick. In some shops the bow was hung from one end of a horizontal pole, the other end of which was fastened to the ceiling. The bending of the pole allowed the bow to be lowered into and worked across the cotton spread out on a flat table. In other shops the bow was hung from the free end of a curved stick that a harness held upright along the worker's back. The pole curved over the worker's head so that the bow hung in front of him. By bending he lowered the bow into the spread out cotton lint.

The 334 ginning and batting shops employed some 1,155 men and 144 women. They reported an output valued at $1,883,000. The estimated profit was only some 6 per cent, the lowest rate for any shop industry.

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Store records and the memory of the workers gave us a history of the wages paid in the cotton ginning and batting shops for the 13 years from 1921 through 1933. There were six different series of rates, three different piece rates paid the men operating the ginning machines, the

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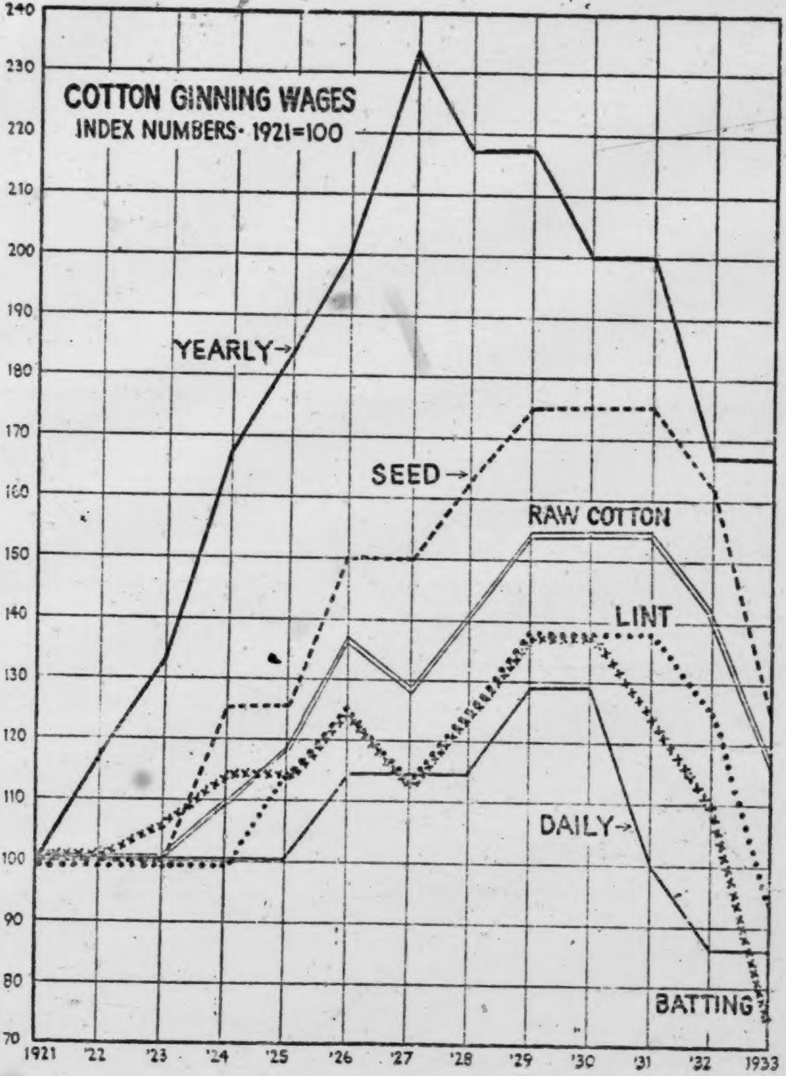

Figure 24. Cotton Ginning and Beating Wages, Index Numbers, 1921–1933

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piece rate paid the batting machine operators, a day rate for temporary or seasonal workers, and a yearly rate for permanent employees.

The yearly rate varied from $30 to $70, the day rate from 30 to 45 cents. The average piece rate operator earned from 48 to 88 cents a day as an average day's work was processing 80 catties of lint and the piece rates varied from 60 cents to $1.10 per 100 catties of lint. Food was provided by the shop for the time workers but not for the piece workers.

The three ginning rates were based on processing 100 catties of raw cotton, producing 100 catties of ginned seed, and producing 100 catties of lint. The batting rate was for processing 100 catties of lint. There was a close relationship between the three ginning rates, for two-thirds of the seed rate plus one-third of the lint rate was regularly between one and two cents below the raw cotton rate. This would seem to indicate a general division of two-thirds seed and one-third lint for the Ting Hsien cotton.

The rates for ginning and batting 100 catties of lint were the same for eight of the 13 years. For some unexplained reason the batting rate was less than the lint ginning rate for the last three years of our study.

The index numbers of the six wage rates, with the 1921 rates equal to 100, are shown in Figure 24. The graphs for the piece rates show a fairly similar pattern, increases through the latter 1920s, a plateau for 1929–31, and then, as the depression reached Ting Hsien, a rapid decline to 1933. The decline was between 25 and 30 per cent for the ginning rates and 45 per cent for the batting rate. It will be noted from the graphs that the 1933 index number for ginning lint was 94, while that for batting lint was 75.

The fact that changes in the seed and lint rates were generally made in amounts of 10 cents per 100 catties accounted for most of the differences in the index numbers for the different piece rates.

The daily rate increased later than the piece rates, did not go as high proportionately, and started to decline a year earlier than the ginning piece rates. In 1933 the rate was 30 cents a day, or five cents (14 per cent) below the 1921 rate.

The yearly rate followed quite a different pattern. It increased every year for six years after 1921, reached a maximum in 1927 rather than in 1929, and showed two reductions before there was any decline in either the daily wage or the piece rate. The maximum, $70, was 2⅓ times the 1921 rate of $30. In 1932 and 1933 the yearly rate was $50.

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We could not find any reason that would explain why the 1933 index number was 167 for the annual wage, but only 86 for the daily wage; 125 for the highest ginning piece wage, but only 75 for the batting wage.

The yearly wage was 86 times the day rate in 1921, 175 times in 1927, and 167 times in 1933. During the 13 years covered by our figures there evidently was considerable improvement in the financial position of the yearly workers, at least when compared with that of the men who were paid by the day or on a piece rate basis.

Cotton Spinning

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Most Ting Hsien families had a spinning wheel as part of their household equipment. Most of the girls and a few of the boys learned how to use it. The girls usually began spinning when they were 12 or 13 years old. Ordinarily it took them some four or five months to learn. During that time they practiced on "red" cotton. A new spinning wheel cost about 50 cents.

All but 16 of the 453 villages, 97.5 per cent, had at least one spinning family. One-third of the spinning villages had not more than 20. Just under two-thirds, 61 per cent, had not more than 50. Three had more than 300 and one had 360. The total number of spinning families was 28,367, an average of 65 per village. Forty-two per cent of all the village families had at least one member who was making thread.

The total number of spinners was 39,720. Almost 95 per cent of these were females, as only 2,106 male spinners were reported. Twenty-eight per cent of the females over 14 years of age were spinning. Only 55 villages reported any male spinners. All but six of those villages and all but 231 of the male spinners were in the 6th District. Three villages reported that all their spinners were males.

In most of the spinning families more than one person was doing some spinning. The average for the hsien was 1.4 per spinning family. In the 6th District it was 1.9. In eight villages, seven of which were in the 6th District, the average was over 2.5 per family while in three villages, all in the 6th District, it was three per family.

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It was generally estimated that the women would spin one catty of thread in five days or from one market day to the next. This was borne out by the figures for the 67 spinning villages in the 1st District. There the village average per spinner ranged from 10 to 134 catties but for more than half the villages the average was between 20 and 30 catties

per spinner or a little more than one catty per market day for the winter months. 283

The thread markets, usually called the Dew Market, were held early in the morning and lasted only a short time, ordinarily ending before 10 o'clock. One explanation of the market's name was that like the dew it disappeared early in the day. Another was that the thread came to market with dew on it, for on the eve of the market the finished thread was usually wrapped in a handkerchief that had been soaked in water and then was left over night on the ground in order that the dampness might add to its weight.

The different thread markets used different weight units. In some a catty of thread was only 3.5 ounces of the generally used 16 ounce catty. In others the thread catty was 4.5 or 5.5 ounces. All our price and weight figures have been adjusted to the 16 ounce catty base.

The estimated output of thread in 1931 was 962,300 catties, an average 283
of 34 catties per spinning family and 24 catties per spinner. At 57 cents 435
per catty, the average price for 1931, the value of the thread was just under $550,000. The average value per worker was $13.80.

The average gain from spinning was estimated to be 21 per cent of the market price or 12 cents per catty in 1931. At that rate the average gain per worker was $2.90 per year. In the 4th District the average was only 87 cents per worker but in the 4th, 5th, and 6th Districts it was $4.00 per year.

It was reported that, while in 1931 the average gain was 12 cents per catty, fluctuations in the price of thread sometimes reduced the gain to as little as 2.5 cents per catty. In 1932 the average price of thread in six sample villages ranged from 37 to 50 cents and averaged 45 cents per catty.

For the different villages the average gain per spinner ranged from 283
29 cents to $100 per year. The latter was for two men in one family who 434
evidently were full time spinners. To make that much their average output would have to be some 2.5 catties per day. There were 58 villages in which the reported average gain per spinner was less than $1.00 per year. Fifty-two of these were in the 4th District. There were only six villages in which the reported average gain was over $10.00 per spinner per year.

In our group of 1,220 home industry families (see Chapter IV) it 283
seems probable that even in the families with the largest farms (in-

Almost one-quarter, 23 per cent, of the weaving villages had not more 286 than five weaving families; 61 per cent had not more than 20; 79 per cent had not more than 50. Only four villages reported more than 200 weaving families. The largest number was 260.

Women were doing most of the weaving as 82 per cent of the weavers were females. They usually learned the art when they were 16 or 17 years of age. It generally took them about six months to acquire the skill necessary to produce salable cloth.

The value of the cloth produced totaled $2,307,000. This was 47 per 286 cent of the total home industry output. Cloth and thread represented 434 almost 60 per cent of the home industry total. The average cloth output was $6,100 per weaving village, $173 per family, and $59 per weaver. One village reported an output of just under $100,000. Thirty-four villages produced more than $10,000 each, 73 villages less than $1,000 each. For two villages the amount was only $81. In two villages the average per family was only $40. In three it was over $1,000. The highest average was $1,460 per family.

The gain to the workers was estimated as one-sixth of the market price. At that rate the average gain per family was $29.80, per worker $9.85.

The district figures show a very heavy concentration of cotton grow- 286 ing, spinning, and weaving in the 3rd and 6th Districts. Together the two districts accounted for the following per cents of the hsien totals; cotton production 83.5, ginning shops 70.4, ginning shop output 77.0, spinning families 45.2, spinners 51.9, spinning output 65.2, weaving families 36.2, weavers 31.7, and cloth output 65.

In one sample village the village elders told us that weaving had become increasingly popular with the village families during the 50 years from 1882 to 1932. The number of families living in the village increased 16 per cent during that time, but the number of weaving families increased 71 per cent, from 58 to 86 per cent of the total. Table 95 shows how the number of families and the number of weaving families changed during the 50 years.

Weaving was done on three different kinds of looms locally known as clumsy, pulling, and iron machines. The original "clumsy" loom was a wooden loom whose shuttle was thrown by hand; the "pulling" loom was an improved model in which the shuttle was thrown from shuttle boxes activated by pulling a string that hung in front of the operator.

286 439 Several different kinds of cloth were woven in Ting Hsien but two, "big" cloth for local use and "chuang" cloth for export from the hsien, accounted for most of the output. Size of the piece was the principal difference between the two types of cloth. Both were white, both were woven with Tientsin machine spun warp and locally spun woof. There was some variation in the size of the pieces but the big cloth was generally 42 feet long and from 1′2″ to 1′3″ in width. The export cloth was about 36 feet in length and 1′2″ in width.

Other types of cloth were rough big, smooth big, and striped. Both the warp and woof of the rough big cloth were hand spun thread. For the smooth cloth they were both machine spun. A piece of rough cloth was usually 46′ x 1′4″, the smooth cloth 34′ x 1′1″. The striped cloth, striped blue and white, blue and yellow, or yellow and white, was usually 40′ x 1′2″. The yellow thread was spun from yellow cotton. The blue was locally dyed.

286 434 439 Prices varied from market to market but the average price per piece in 1931 was big cloth $1.80, export cloth $1.20, and striped cloth $2.30. The weaver's profit was estimated at 30 cents per piece for the big cloth and 20 cents per piece for the export cloth. Families who had big cloth woven for them supplied the thread and paid the weaver 30 cents per piece.

286 439 Big cloth was woven in 378 villages, export cloth in 203. Over 1,000,000 pieces of export cloth and 606,000 pieces of big cloth were produced in 1931. All of the export cloth was sold to the cloth stores and shipped out of Ting Hsien. Figures from the 3rd and 6th Districts indicate that about 23 per cent of the big cloth was used by the weaving families, the rest sold. Cotton cloth was a large cash item for the village families.

286 777 It was reported that there was a big decrease in spinning and weaving during the 1st month of the New Year, both because it was vacation and holiday time and because an old custom, followed in some villages, forbade the farmers' daughters to use needle and thread during the 1st moon.

286 291 Other materials woven from cotton thread were large and small gauze, waist bands, leg bands to tie trouser bottoms around the ankles, and bags of various sizes. The latter were generally woven from three or four ply thread.

TABLE 108. WAGES, COTTON GINNING AND BATTING, 1921–1933

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			Piece Rates[1]		
			Ginning[2]		*Batting*
Date	*Daily Wage*	*Yearly Wage*	*Raw Cotton*	*Seed*	*Lint*
1921	$0.35	$30	$0.55	$0.40	$0.80
1922	.35	35	.55	.40	.80
1923	.35	40	.55	.40	.85
1924	.35	50	.61	.50	.90
1925	.35	55	.65	.50	.90
1926	.40	60	.75	.60	1.00
1927	.40	70	.71	.60	.90
1928	.40	65	.78	.65	1.00
1929	.45	65	.85	.70	1.10
1930	.45	60	.85	.70	1.10
1931	.35	60	.85	.70	1.00
1932	.30	50	.78	.65	.80
1933	.30	50	.59	.50	.60

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[1] Per 100 catties.

[2] Ginning rate per 100 catties of lint was generally the same as the batting rate. It varied from $0.75 to $1.10.

CHAPTER VIII

GUILD FINANCES

A. SOURCES OF GUILD INCOME

MEMBERSHIP fees, paid either by individuals or by 441*
stores, are the principal source of income of the guilds 467 *
studied in Peking. Additional income is derived from prop- 434 ●
erty or investments, fines and assessments. Table X[1] shows that thirty-eight of the forty-two guilds report income from regular dues. Ten guilds report receiving money [454
either from rent or from land, or from invested funds. 427]
Guilds that receive rent either from the temples they own or from their guild headquarters, are the Carpenters, Leather Box Makers, Shoe Fasteners, Barbers, Restaurants, Silk and Satin Stores, Shoe Stores, and Porters. The Tailors possess 70 mu or 23 acres of land which they rent for a burial ground, while the Fur Stores receive ten per cent interest on the investment of a thousand taels which yields them 100 taels ($138.89) a year.

Our data regarding which guilds receive money from fines are extremely meager. The guildsmen simply reported the total yearly income of their organizations without specifying the sources from which the income was derived. In most guilds fines are, however, a minor factor in the total income.

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[1] *Cf.* pp. 148-149.

4: Burgess E-4.5 (1926-1927) 1928 AF12 North China AF12

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*467
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TABLE X

SOURCES OF INCOME AND ESTIMATED TOTAL YEARLY INCOME OF GUILDS

(* denotes source of income)

	Sources					Grand total (yearly)
	Fees	Property and investments	Fines	Assessments	Other sources	
Craft Guilds:						
Awning Makers	*		*		*	22,000 coppers ($63.79)
Confectionery Makers						8,000 coppers ($23.19)
Carpenters	*	*				300,000 coppers ($869.56) average 200,000 ($579.71)
Cloth Pasters	* $200					$200
Cloisonné Designers	*		*			$480
Dyers				*		
Leather Box Makers	*	* 200 taels ($277.78)		*	*	
Masons	*		* (seldom)			250,000 coppers ($727.56)
Mat Tent Builders	*					
Paper Hangers	*				*	$200
Painters	*		*			$500
Tinkers	*		*			10,000 coppers ($28.98)
Shoe Fasteners	*	*				45,000 coppers ($130.43)
Silk Thread Makers	* $300					$350
Tailors	*	*				
Table and Chair	*					20,000 coppers ($57.97)
Total	14	4	5	2	3	
Commercial Guilds:						
Clock Stores	* $700					$700
Cloth Stores	*					$800
Coal Stores	*					$800
Confectionery Stores	*					$305
Dye Stuff	*					($486.12) 350 taels of which 140 goes to C. of C.
Fur Stores	* $160	* 100 tls. ($138.89)				$300

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Table X—*Continued*

	Fees	Sources				Grand total (yearly)
		Property and investments	Fines	Assessments	Other sources	
Commercial Guilds: *Continued*						
Hat Stores	•					
Leather Stores	•					300 taels ($416.67)
Mutton Shops	•				• Tax on sheep	$1,000 $300
Oil Stores	• This yr. pay fees				• Tax on oil	$15,000 of which $8,000 goes to C. of C.
Pork Merchants	•				• Tax on pigs	$1,000 of which $150 goes to C. of C.
Rice and Flour	•					
Restaurants	•	•				$1,300
Second-Hand Clothes	•					$2,000
Shoe Stores	•	• $35 a mo.				$100
Silk and Satin Stores	•	•			•	$780
Sweet Oil Stores					• Tax on oil	$3,000
Total	16	4			5	
Professional Guilds:						
Actors					Voluntary plays	$5,000
Barbers	•	• $50	• $100			
Blind	•					$600
Cooks	•			•		$100
Kitchen Coolies	•					20,000 coppers ($57.97)
Porters	•	• $70				
Story Tellers	•		•			40,000 coppers ($115.94)
Waiters	•					$100 60,000 coppers ($173.91)
Total	7	2	1			

*441 *467 434 ● Certain of the guilds depend entirely upon general assessments for expenses. The Dyers, for example, report "there are no guild fees, but when money is needed for any particular use, all the stores have a share." In the Blind Guild it appears that the officers are responsible for making up from their own pockets any deficit in the expenses of the annual meeting. If, however, there is a surplus they also have the privilege of dividing it among themselves.

The Awning Makers have a special method for collecting money for their annual meeting: "Two coppers are contributed by every shop worker beginning with the tenth day of the sixth month. This money is deposited in a small bank made of pottery which is supplied to each shop. The money is collected each month, the banks broken open and the money turned over to the guild treasurer. New banks are put in each shop as soon as the old ones are taken away."

*441 *467 651 434 The Oil Stores and the Sweet Oil Stores receive their income from a proportion of the general government tax collected on the sale of oil. The tax is thirty cents on each 100 catties of oil sold. This money is collected by the guild collector once a week. The total receipts from this tax during the year of 1925 were $15,000. Twenty per cent of this amount, or $3,000, was kept for guild expenses; the rest was turned over to the government through the Chamber of Commerce. The Sweet Oil Stores report that their tax on each 100 catties of oil is fifteen cents, and that they also keep twenty per cent of this amount for guild expenses. The total receipts of the guild on this basis for 1925 were $3,000.

B. AMOUNT OF GUILD FEES

*441 *467 434 The guild fees may be roughly classified as fees paid by stores, fees paid by individuals (whether managers, workers or apprentices) and initiation fees. In commercial guilds membership is by store units. The stores pay the fees, usually according to the value of their trade. In the craft and professional guilds fees are usually paid by the members, whether managers, foremen or workmen. In only one case (the Leather Box Makers) can we find any record of a fixed charge to apprentices. Twelve guilds specify that regular initiation fees are charged. Table XI[1] gives the information that we were able to collect on the various fees paid. Leaving out of account the Oil Stores that pay a definite tax, the highest rate paid at present in any guild by store units is a charge per year of $20 paid by the larger Coal Shops.

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Among the craftsmen there are various methods of paying. The Awning Makers and the Mat Tent Builders pay two coppers a day during a certain season of the year. The Paper Hangers give one day's wages. The Cooks pay ten cents a month. The Kitchen Coolies, when they have work, give twenty coppers a month, and two coppers a day when they are on a short-time job. The Actors pay $2 or $3 a month.

Initiation fees reported vary from $20 per store, with $8 more to the Chamber of Commerce for the Sweet Oil Stores, to individual payments of sixty coppers ($.17) by the Cloth Pasters. In most guilds it is the custom to consider the first annual fee as an intiation fee and to make no additional assessment.

C. METHODS OF COLLECTING FEES

All dues and fines are usually paid at the annual meeting. Some guilds, however (for example, the Coal and Confectionery Makers), have paid agents who go around to collect the money. The Oil Stores and the Sweet Oil Stores have special agents who call weekly to collect the taxes, while the Porters have special cash boxes in certain stores in which they deposit a percentage of their earnings after each job is finished.

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[1] *Cf.* pp. 152-154.

TABLE XI

AMOUNT OF GUILD FEES

(Yearly, unless otherwise stated)

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	By store	By manager (same as worker unless otherwise designated)	By worker	By apprentice	Initiation fee
Craft Guilds:					
Awning Makers......		2 coppers a day ($.01)			$5
Confectionery Makers.		80 coppers ($.23) (officers 40) ($.12)	20 coppers ($.06)		
Carpenters		Officers 140 coppers Workers 70 coppers ($.20)			
Cloth Pasters		2 cash on every board used ($.0006)			60 coppers ($.17)
Cloisonné Designers...		$1.00	$1.00		
Dyers	Contribution when needed				
Leather Box Makers..	.03 Taels ($.04)		.03 Taels ($.04)	.015 Tls. ($.02)	1 Tael ($1.39)
Masons		One day's wage 75c. or 45c.			
Mat Tent Builders....		2 cents a day			
Paper Hangers		One day's wage			
Painters	$1.00	$.50	$.50		$1.50
Tinkers		40 coppers ($.12)	40 coppers ($.12)		250 cop. (.73)
Shoe Fasteners		"Dues only when plays held. None in recent years"			
Silk Thread Makers ..	$1 on every cattie of silk thread sold				$20
Tailors..............	$1.00		40 coppers or 60 coppers ($.17)		
Commercial Guilds:					
Clock Stores.........	According to business conditions				$2.00

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TABLE XI—*Continued*

	By store	By manager (same as worker unless otherwise designated)	By worker	By apprentice	Initiation fee
Commercial Guilds: *Continued*					
Cloth Stores	$4 to $5				
Coal Stores	$5 to 5.20				
Confectionery Stores	$4, $5 and $7				
Dye Stuff Stores	.30 Tls on every basket of painting oil bought[a] ($.42)				30 Taels ($41.68)
Fur Stores	$7, $8, $9	$3			
Hat Stores	1 Tael or .80 Taels ($1.10)				
Leather Box Makers	6,000 coppers 300 coppers 150 coppers ($17.39) .87) .43) According to location and size of store				$8 for stores
Mutton Shops	$3 to $5				
Oil Stores	30c. tax on every 100 catties oil. 20% to guild; 80% to C. of C.				
Pork Shops	$2, $3, $5				
Rice and Flour	$2 to $7				
Restaurants	$8 to $12				
Second-Hand Clothes Stores	$1 to $10				
Shoe Stores	$2 on every $1,000 worth of goods sold				
Silk & Satin Stores	$10 to $12				$1.60 for certificate C. of C.

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[a] The Dye Stuff Stores charge a high initiation fee of 30 taels ($41.68) for a new store. It provides the store with a new set of balances and collects .30 taels ($.42) on every basket of painting oil bought.

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Table XI—*Continued*

	By store	By manager (same as worker unless otherwise designated)	By worker	By apprentice	Initiation fee
Commercial Guilds: *Continued*					
Sweet Oil Stores	.15 charge on every 100 catties of oil sold; 20% to guild; 80% tax				$80 formerly, now $20 and $8 to C. C.
Vegetable Stores					
Professional Guilds:					
Actors		$2 to $3 a month			
Barbers		($.30)			$.40
Blind		20 coppers per month ($.06)			
Cooks		10 coppers per month ($.03)			
Kitchen Coolies......		Steady job 20 coppers a month ($.06) Short-time job 2 coppers a day ($.01)			$4
Porters		1 out of every 50 coppers made ($.003))			
Story Tellers		20 coppers per month ($.06)			
Waiters					

5: Tao E-5 (1926-1927) 1928 AF12 North China AF12

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Table 2.—Average Surplus and Deficit of 48 Families in Six Months According to Earnings and Total Incomes Separately.

Income group	Number of Families	Earnings minus expenditure				Average surplus (+) or deficit (−) according to earnings	Total income minus expenditure				Average surplus (+) or deficit (−) according total income
		Surplus		Deficit			Surplus		Deficit		
		Families having	Average amount	Families having	Average amount		Families having	Average amount	Families having	Average amount	
Under $70	3	—	—	3	$15.50	−$15.50	1	$1.67	2	$10.79	−$6.64
$70 & under $110...	28	7	$6.44	21	12.73	− 7.94	15	6.17	13	6.75	+ .18
$110 & under $150...	14	5	7.80	9	17.72	− 8.60	8	15.16	6	8.41	+ 5.06
$150 & under $190...	3	2	9.00	1	12.91	+ 1.70	3	10.26	—	—	+10.26
All incomes	48	14	7.29	34	14.30	− 8.00	27	9.12	21	7.61	+ 1.90

565 735 431 their poor relatives, while in reality many of the presents thus offered are by no means different from relief, except that the donor is a relative or friend in the former case and a stranger or an agency in the latter case. It has also been found that the presents these families received far exceeded those given by them to others,[1] a noteworthy fact which clearly suggests that the presents in the former case should be understood as some measure of relief offered by close relatives or friends. Now if we follow this line of reasoning and classify under the poor class those families receiving presents amounting to more than four dollars during the six months, there would remain twenty-eight families which were really self-supporting.

565 735 434 Another way of determining the economic status of each family would be to study the earnings received by its members and see if they were sufficient to cover the total expenditure. It will be found from the foregoing table that while only fourteen of the families had sufficient income and also some surplus, thirty-four of them must have relied upon other sources of income, notably presents and relief, to make their ends meet.

As earnings constitute but a part of the total income of each family, its economic status may also be determined by the balance sheet of its total income and expenditure. Taking total income, instead of mere earnings, into consideration, one will find in Table 2 that the number of families with a surplus was appreciably greater. Of the forty-eight families, twenty-seven had each a surplus after their expenditures were met, while twenty-one were found to have each a deficit. Accordingly, it may be said that almost three-fifths of the families under investigation were above the poor class.

565 735 Obviously none of the above mentioned figures denoting the status of the families can be called conclusive. Yet they all seem to suggest that by and large the families are all on the margin of poverty. It appears that between twenty and twenty-eight families may be considered as of the lower middle class while the

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[1] For Social Expenses, see Table 11 (in Chap. V.) or Appendix II.

Chinese currency. Still less is it our purpose to bring out the 436 fundamental defects of the Chinese monetary standards of which everybody is aware. Nevertheless, it should be borne in mind that, while, in countries where a sound currency system has been established, the main problem is merely the stability of the standard money or its purchasing power, in China, however, apart from this problem, there remains first of all that of the circulation of big quantities of subsidiary coins and notes, greatly depreciated due either to debasement or to over-supply, which are a constant disturbing factor of far-reaching importance in Chinese social economy. Indeed, the evil effects of the Chinese currency upon the economic life of the people are well worth studying and the chaotic conditions of the coppers, cent-pieces, dollars, and the various kinds of paper notes in Peking during the last two decades alone would furnish a most entertaining subject for research to the Chinese student of economics.

INCOME AND EXPENDITURE

In analysing the income and expenditure of the various fami- 434 lies, the following definitions are adopted.

By income is meant that amount of money, or services or things evaluated in terms of money, received during the period of our investigation by the family from such sources, as earnings from labour, interests from investments, rents from land or movable things, presents and gifts from friends or relatives and also relief from public or private agencies. All receipts which do not represent the actual income from the above-mentioned sources during the period of the investigation are thus excluded from this definition. For instance, outstanding debts collected by the family, loans borrowed from friends or relatives, and sums of money derived from pawning articles and from loan societies are not considered as income.

By expenditure is meant that amount of money, or services 511 or things evaluated in terms of money, expended during the period of our investigation by the family for the purchase and use of

CHAPTER V

INCOME AND EXPENDITURE

434 The income of the forty-eight families might be classified
465 under five different heads, viz: (1) wage-earnings of members of the families, (2) presents and gifts received from relatives or friends, including meals members took at their homes, (3) relief given by charitable agencies or persons, (4) rents from land or things and (5) other sources including interest from loans and sums of money derived from the sale of articles possessed by the family. Table 8 shows the sources and average amounts of family income in six months, ranging between $59.00 and $183.00. The average income per family was $103.26,[1] of which 90 per cent was derived from earnings, while the remaining 10 per cent, from the other four sources combined. It may be said that invariably by far the greater portion of the earnings was contributed by the husband or the head of the family, as it constituted more than 50
434 per cent of the average total earnings per family. Where the
462 husband's earnings fell short, as in the case of the last income
465 group in Table 8, it was invariably made up by the children, the younger members of the family. However, an exception to this generalization was found in the first income group, in which a widow earned no less than forty-nine dollars in six months to support her family. This must be considered as a peculiar case,

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[1] It should be pointed out at this place that from the rickshamen's earnings a certain amount of money must be expended every day for the hire of the ricksha. This item we have purposely excluded from our consideration. For it was found that if this item be included in both the income and the expenditure of his family, its economic status would be so raised as to misrepresent its actual living standard. The ricksha is an instrument whereby the ricksaman expends his energy to gain a livelihood. In its nature, it differs in no way from the tools or machines provided by the modern factory. It is therefore thought that that part of the rickshaman's earnings which he spends to pay for the hire of his vehicle does not constitute his income.

5: Tao E-5 (1926-1927) 1928 AF12 North China AF12

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Table 8.—Sources and Amounts of Family Incomes in Six Months, by Income Groups

Income group	Number of families	Average income per family from earnings of —				Total average earnings per family	Average income from —				Total average income other than from earnings	Total average income per family
		Husband	Wife	Children	Others		Presents and gifts	Relief	Rents	Other sources		
Under $70...	3	$18.96	$17.25	$19.58	—	$55.78	$6.43	$0.15	—	$2.29	$8.86	$64.65
$70 and nnder $110	28	60.82	8.21	12.89	$0.26	82.18	7.20	.47	—	.44	8.11	90.29
$110 and under $150	14	63.55	10.31	25.36	11.70	110.92	4.65	.96	$7.44	.62	13.66	124.58
$150 and under $190	3	55.52	2.60	96.71	—	154.83	4.82	.04	3.70	—	8.57	163.40
All incomes	48	58.67	9.04	22.18	3.56	93.45	6.26	.57	2.40	.58	9.81	103.26
						PER CENT						
Under $70...	6.3	29.3	26.7	30.3	—	86.3	9.9	.2	—	3.5	13.7	100.0
$70 and under $110	58.3	67.4	9.1	14.3	.3	91.0	8.0	.5	—	.5	9.0	100.0
$110 and under $150	29.2	51.0	8.3	20.4	9.4	89.0	3.7	.8	6.0	.5	11.0	100.0
$150 and under $190	6.3	34.0	1.6	59.2	—	94.8	2.9	[1]	2.3	—	5.2	100.0
All incomes	100.0	56.8	8.8	21.5	3.4	90.5	6.1	.6	2.2	.6	9.5	100.0

[1] Less than 0.05 per cent.

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434 since the earning capacity of a woman is as a rule much lower
465 than that of a man.

As is to be expected, the greater the number of wage-
434 earners there is in a family, the greater the amount of earnings it
465 would receive. In other words, among the labourers—in particular
511 among the less skilled—any increase of the family income is usually due to the contributions of children of wage-earning age rather than to the increased earnings of husbands. The husband, as a rule, is the chief bread-earner of the family, but if he becomes advanced in age and his children have already grown up, then the major portion of the family income is generally earned by the children. What Mr. Rowntree has said of the British labourer that he passes in his life through five alternating periods of want and comparative plenty may be said to hold true also of the Chinese labourer.[1] That is to say, a labourer usually faces dire poverty during early childhood, in early middle life and in old age, while he enjoys short terms of prosperity in early adult life when he himself or his brothers and sisters begin to earn money, and then after marriage when his children begin to earn wages, the standard of living of the family on both occasions being somewhat raised.

434 Generally speaking, earnings from wives form but an inconsi-
465 derable part of the family income, although wives of forty-one
462 families in the inquiry were engaged in some kind of work. The reason for this may be sought partly in the low pay of their work and partly in the fact that apart from their manual toil, they had also their own domestic duties to attend to. In fact, except in large cities, the woman's place in industry has not yet been established in China, and in a city like Peking, to be employed as a domestic servant is perhaps the only occupation that could bring reasonable pay to women. Of course, there are also exceptional cases in which a widow having children or a wife with an invalid husband to support has to engage herself in some handicraft work, in order to earn sufficient income for their living.

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[1] Rowntree, Op. cit. pp. 136-7.

Next to wage-earnings, presents and gifts figured prominently in the income, their nature having been discussed in a previous chapter.[1] It should be borne in mind that meals taken free of charge by members at the homes of relatives or friends were considered as presents, for it has been a practice in some families to have their children board with their relatives for a sufficiently long period in the year. Meals so supplied are in fact relief in the form of presents. Relief formed but an insignificant part, it being less than one per cent of the total average income per family. Rent, as a rule, does not constitute a regular source of income for these families, though three of them had received incomes either from land or from rickshas. 434 431

As shown in Table 9, the total average amount of expenditure per family in six months was $101.45. The percentage of this sum was distributed thus: food, 71.2 per cent; fuel, light and water, 11.3 per cent; house rent, 7.5 per cent; clothing, 6.8 per cent; miscellaneous, 3.1 per cent. 511

Little need be discussed here on food, clothing and house rent, as they will be more fully treated in subsequent chapters. That fuel, light and water should have absorbed more than 11 per cent of the total average expense per family and become the next biggest item after food is certainly striking and calls for consideration.

Water alone formed almost one per cent of the total average expense and its quantity consumed per capita per day was on the average about 7.3 litres. In Peking, the majority of families has to buy water from carriers who make it a monopoly to bring it from the well or the water main to the consumer. It is a usual practice for each family to pay a lump sum every month to the carrier who supplies to it a specified quantity of water every day. For a family of two, a charge of fifteen cents per month is generally made and the water supplied to it is about 420 litres. The price of water must be considered high in Peking. As every drop of water has to be transported by human labour from the 312 5/1

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[1] See supra pp. 20-22

511 families, amounting to $7.37; and alcoholic drinks by fifteen families, amounting to $5.57. Under the sundries, expenses of thirty-seven families for celebrating the new year amounted to $46.48, while the expenses of forty-one families for such items as house repair, paper, dye-stuff and children's pocket money, amounted to $47.92.

On the whole, the low expenses in the miscellaneous group of items demonstrated clearly the low standard of living of the working families under investigation.

The income and expenditure of the working families may further be studied from another point of view, namely from that of sufficiency. It will be remembered that Table 2 in Chapter II, showed that after expenditure was deducted from the income, family by family, twenty-seven of the families were found to have a surplus, an average amount of $9.12 per family in six months, while twenty-one for the same period had on the average a deficit of $7.61 per family. Taken all the families together, however, it may be said that more families had a credit balance than a debit one and that the average amount of surplus was more than to counterbalance the average amount of deficit.

OTHER RECEIPTS AND DISBURSEMENTS

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Our analysis of the income and expenditure of the working families in the foregoing paragraphs has adhered strictly to the definitions of them as stated in Chapter III, as items that did not conform with the definitions were excluded from our discussion. It seems that our study of the economic life of the working families would be incomplete if we should leave out their other receipts and disbursements. To these we shall now turn our attention.

Money receipts of the working families other than income proper consist of four kinds: (1) fund or loans from mutual aid or loan societies, (2) personal loans returned, (3) sums derived from pawning articles and (4) money borrowed from others. They will be described in the order of their importance.

426 member. The recipient of the money is decided each month by lot or by arrangement. In the latter case, the recipient of the fund would have to pay in the future, besides his usual monthly subscription, a premium, which is but interest in disguise. Such loan societies exist in abundance in this country. They may be organized at any time by any group of persons who know each other well; they function for a specified period of time, generally for ten or twelve months, and then dissolve themselves. No registration with or sanction from government authorities is required for the formation of such a society and even regulations or formal contracts are dispensed with, all arrangements being made verbally. The loan society, it must be admitted, often proves a boon to poor families for raising loans when some urgent need, such as wedding or funeral, forces them to expend a lump sum at one time. But, on the other hand, woe may be the lot of the subscriber, if the society he has joined is organized by an adventurer and turns into a bubble after a lapse of a few months. Furthermore, it should be observed that while the society no doubt affords certain facilities for borrowing money, it is far from pleasant or easy for the poor families to squeeze at a great sacrifice from their meagre income the necessary amount for the subscription to be paid each month.

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434 Corresponding with the four kinds of receipts described above, there is an equal number of disbursements. They are (1) loan society subscription, (2) lending, (3) redemption of pawned articles and (4) repayment of debts.

In Table 12 are presented the average total receipts and the average total disbursements per family. From it one finds that money receipts other than the income proper amounted on the average to $6.97 per family, that is, 6.3 per cent on the average total receipts per family. Of the various forms of receipts, borrowing forms the major portion, being almost two-thirds of the total of receipts other than incomes.

On the other hand, payments other than expenditure proper amounted on the average to but $3.51 per family, which represented 3.2 per cent on the average total disbursements per family.

Table 12.—Average Amount of Receipts and Disbursements of 48 Families in Six Months, by Income Groups

Income group	Number of families	Average receipts per family from—						Total av. receipts = Total av. disbursements + av. cash in hand	Average disbursements per family						Av. cash in hand
		Loans etc.				Total of loans etc.	Income		Expenditure	Total of payments etc.	Payments etc				
		Loan society fund	Loan returned	Pawning articles	Borrowing						Payment of money borrowed	Redemption of pawned articles	Lending	Loan society subscription	
Under $70	3	—	—	$1.76	$5.44	$7.19	$64.65	$71.84	$71.28	—	—	—	—	—	$0.56
$70 and under $110	28	$0.14	$0.18	1.89	4.98	7.19	90.29	97.48	90.12	$3.03	$2.65	$0.25	$0.04	$0.09	4.33
$110 and under $150	14	—	.76	2.77	3.61	7.14	124.58	131.72	119.52	4.67	3.29	1.37	—	.01	7.53
$150 and under $190	3	—	—	.76	3.17	3.92	163.40	167.32	153.13	6.12	2.82	.16	—	3.14	8.07
All incomes ...	48	.08	.33	2.07	4.49	6.97	103.26	110.23	101.45	3.51	2.68	.56	(1)	.25	5.27
	PER CENT														
Under $70	6.5	—	—	2.4	7.6	10.0	90.0	100.0	99.2	—	—	—	—	—	0.8
$ 70 and under $110	58.3	.1	.2	1.9	5.1	7.4	92.6	100.0	92.4	3.1	2.7	.3	(2)	.1	4.4
$110 and under $150	29.2	—	.6	2.1	2.7	5.4	94.6	100.0	90.7	3.5	2.5	1.0	—	(2)	5.7
$150 and under $190	6.3	—	—	.5	1.9	2.3	97.7	100.0	91.5	3.7	1.7	.1	—	1.9	4.7
All incomes ...	100.0	.1	.3	1.9	4.1	6.3	93.7	100.0	92.0	3.2	2.4	.5	(2)	.2	4.8

[1] Less than $0.005

[2] Less than $0.05 per cent.

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S. Tao E-5 (1926-1927) 1928 AF12 North China AF12

426 511 434 It is interesting to note that payments were lower than loans, though for the highest income group, the amount paid for the loan society subscription was appreciably high.

From a study of the receipts and disbursements of the families under investigation, it may be maintained that, on the whole, their financial conditions were quite sound. The total receipts of all the families were on the average more than sufficient to balance their disbursements. With the exception of the three families in the lowest income group, the family income was all on the average larger than the expenditure, while receipts other than income also exceeded the total for repayments, lending, redemption of pawned articles and loan society subscription. As a result, a good amount of cash in hand was netted to them.[1] But it should be added that even then, their general conditions of living can by no means be regarded as satisfactory. On the one hand, their living standard was on the whole low, while, on the other, they merely led an existence from hand to mouth, for, like all families that depend upon their slender earnings for a living, they had neither savings nor investments to fall back upon in case of emergency. So long as their earnings are received regularly, the existing standard of living can be maintained. Once their earnings are cut off, they are reduced to beggary.

The prospect of the families of the lowest income group was of course much worse. Exactly 10 per cent of their receipts was derived from borrowing and pawning their possessions. Obviously this is an impossible position; no family can depend perpetually on loans for a part of its living expenses, if it lacks any prospect of repaying them. In time, sources of borrowing must be closed to them while the scanty wardrobe of the family will cease to supply articles for pawning purposes. Ultimately, such a family will have either to seek charitable aid as its main support or to adopt other means, noble or ignoble, wise or otherwise, to maintain its existence.

511 434 Two points in Table 12 are worthy of attention. First, it will be seen that the higher is the family in the income group,

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[1] See the last column of Table 12.

the higher is its percentage of income on the total average 511
receipts. As the family climbs up to a higher income group, the 434
proportion of its income among the total receipts appears to be ever increasing while loans and other receipts of similar nature decreases in importance. Secondly, it is shown that the higher is the family in the income group, the lower is its percentage of expenditure on the total average disbursements. Thus, in families of higher income groups, it happened that either the proportion of disbursements other than expenditure become greater or a greater amount of cash is kept in their hands, or both.

FAMILY SUPPORTERS AND DEPENDENTS

Membership of the forty-eight working families having been 465
considered in Chapter IV, it will be of interest now to study the 511
members from the standpoint of their earning capacity. From our study of expenditure, it was found that the average expenditure per equivalent adult in six months was equal to $30.04, that is, about five dollars per month. To be exact, it was distributed in the following manner :—

Food	House rent	Clothing	Fuel, light and water	Miscellaneons	Total
$21.39	$2.26	$2.05	$3.40	$0.94	$30.04

This figure ($30.04 in six months) may be considered as the average expense an equivalent adult has to spend for his bare subsistence. This average living expense appears to be very low and it may be quite reasonably regarded as the minimum for the subsistence of the individual. To go below this would certainly mean privation and suffering, even though many persons might be, and in fact are, able to maintain their living at much less expense. Using this individual minimum as a criterion, it has been possible for us to distinguish two classes of persons : family supporters whose earnings in six months were above thirty dollars and partial dependents whose earnings in six months were below this figure. Those who had no earnings whatsoever were complete dependents. It must be observed that the criterion here adopted is theoretical, for in actual life latitude must be granted to different

maintain 0.23 of an equivalent adult, that is, an infant under 465
two. 511

The earning power of the workers under investigation was indeed appallingly low. Whether this was due to their low intelligence or lack of education, to an over-supply of labour, to the disorganization of trade, or to the low standard of living in Peking in general, it is impossible to say off-hand. It seems that all of these have combined to make the living of the working families as low as they are here presented. But the most important aspect of the problem that is relevant to our discussion is what the families with more members than they are able to support should do to overcome the lowness of their earnings. It is evident that two ways are open to them. Either they must reduce still further their standard of living, by using, for instance, cheaper kinds of food or by cutting down certain items of expenditure—the effect of either would naturally be ruinous to the health of the families—or they have to rely upon aid from outside, in order to maintain their existing living conditions.

THE SIZE OF THE FAMILY AND THE STANDARD OF LIVING

So far, our analysis of the income and expenditure of the 511
families has been made only according to the level of their in- 434
comes. It has doubtless yielded very important results, some of 465
which have already been dealt with in this chapter. But in view of the fact that the families under investigation were not of a uniform size, it seems that the population factor should not be disregarded altogether. For, generally speaking, the conditions of living must vary with the size of the family. And it will be our task at present to study the correlation between the size of the family and its cost of living.

When reduced to the number of equivalent adults, the families under investigation may be divided into four groups. While half of the families had from 2.5 to 3.5 equivalent adults per family, almost four-fifths of them had less than four equi-

5: Tao E-5 (1926-1927) 1928 AF12 North China AF12

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Table 13.—Average Income and Expenditure in Six Months per Family and per Equivalent Adult, by Equivalent Adults in Family

Equivalent adults in family	Number of families	Average number of equivalent adults per family	Average income		Average expenditure		Average general food expenses		Percentage of food expenses on total expenditure	Average food expenses at home		Calories per equi. adult taking meals at home per day
			Per family	Per equivalent adult	Per family	Per equivalent adult	Per family	Per equivalent adult		Per family	Per equivalent adult	
1.50-2.49	5	2.16	$74.79	$34.63	$73.37	$33.97	$47.50	$21.99	64.7	$38 32	$20.04	2787
2.50-3.49	24	2.93	97.00	31.75	91.44	31.23	64.26	21.95	70.3	46.28	19.13	2732
3.50-4.49	14	4.00	122.29	30.60	119.43	29.89	87.91	22.00	73.6	52.23	17.34	2529
4.50 and over	5	5.02	127.90	25.49	127.29	25.37	93.48	18.63	73.4	67.77	15.42	2272
All groups	48	3.38	103.26	30.58	101.45	30.04	72.25	21.39	71.2	[illegible]	[illegible]	[illegible]
										49.43	18.00	2595

valent adults each. It will be seen from Table 13 that, on the 511
average, the total income, the total expenditure, the total food 434
expenses and also the food expenses at home per family all 465
followed the rise of the number of equivalent adults in it. This is what is to be expected, for, any rise in the economic status of the family, whether in regard to its income or to its expenditure, is generally due to an increase of its members who are able to contribute to the income of the family. It may, therefore, be concluded that to the class of families which we have investigated, an enlargement of membership in the family must bring with it at once an increase of income as well as of expenditure. Apparently, such an increase seems to be a boon to the family, but, if we are to calculate the income and expenditure according to each equivalent adult, it will be just the reverse. Although an increase of family members frequently results in an increase of the family income, yet the two do not usually keep an equal pace and the additional income is constantly exceeded by the expenses required for supporting the additional member or members. It will be observed in Table 13 that the more equivalent adults there were in the family, the less was the amount of both the income and expenditure to each of them. Similarly, both the total food expenses and the food expenses at home per equivalent adult also varied in inverse proportion with the number of equivalent adults in the family—except in the third group in which there appears to be a very slight increase in the average total food expenses per equivalent adult. Thus, with the growth of the size of the family, the cost of living per equivalent adult tends to decline, while that per family seemingly rises. This decreasing tendency is not only evidenced in the average total expenditure and average food expenses per equivalent adult, as has already been referred to, but is also clearly shown in the calories and also in the rental per equivalent adult.[1]

Furthermore, it will be seen that the percentage of food expenses also follows the tendency of the increase of the number

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of equivalent adults in the family. This is quite natural, as more members there are in the family, more expenses must be used for food. In this connection, it is important to refer to the food percentages of the various income groups in Table 9 of this chapter. There, it was found that the food percentages showed no tendency to decrease in the higher income groups—a fact which seems to contradict Engel's preposition, that the greater the income, the smaller the percentage of outlay for subsistence. But if we view the fact in the light of the present discussion, the irregularity may be attributed to the different sizes of the families. Obviously, it is the population factor that has upset what should be a normal tendency in food expenditure.

It is evident from the foregoing discussion that the size of the family has an important bearing on the welfare of its individual members. It suggests to us that an increase of the members in the family will call for a much greater increase in its income, in order to maintain its standard of living, than its additional members could possibly contribute. That is to say, the growth of the size of the family will always bring its living standard down. Confining at least to the class of families under investigation, one may maintain with certainty that population is a much more potent force as a pressure upon the individual, and of course also the family, welfare, than as a blessing, as is generally conceived, that brings in more earnings to the family group. While it is as yet impossible to determine to what extent this population pressure is due to the low earning capacity of the Chinese labourer or to the social and industrial conditions that affect employment and rate of wages, there seems to be no doubt that population itself is a powerful factor which will up to a certain extent bring to it its own destruction. It is not our business here to study in the light of our discussion further into the problem of population in its local or national aspects, but the few data yielded by our inquiry undoubtedly lead us to believe that in order to promote the general welfare of the working family, a limitation of its size would be one of the most effective measures urgently needed in this country.

is called "society." Secondly, there are in China as yet still few 875
careers that are open to women. The few professions that women 462
may pursue such as nursing, teaching, medicine, and literary 562
work, are developed but very recently and have not yet provided sufficient attraction to them, even after their marriage. Furthermore, it must be admitted that the training offered by the small number of schools and colleges in this country is often found inadequate for the woman to lead a professional life.

While these considerations are, on the whole, true, one must, however, not conclude that all women of the comfortable families in China are of the leisure class. In particular, the wife of the teacher often has a very hard time at home. None of the families investigated kept any servant and housekeeping in China sadly needs many of the facilities that are found in the West. Considering the volume of work a housewife has to attend to, from cooking and cleaning to laundering and tailoring, her time must be fully occupied all day long. Add to this her manifold duties as a mother, we shall then be able to realize the busy life of the teacher's wife.

Parenthetically one may perhaps be allowed to make this generalization regarding the future of the middle-class woman. With the economic pressure steadily setting in, she will have to emerge from her home and earn a living outside, while the development of educational facilities and the utilization of modern time-saving contrivances in housekeeping will certainly enable her to become an efficient worker in various fields of activities.

FAMILY INCOMES

The incomes of the twelve families[1] may be summarized as 875
in Table 27. The average family income of the elementary 434 ●
school teacher amounted to $56.39 per month. 465

It should be admitted that Table 27 does not represent the actual conditions of the teachers' incomes, for, as has been noted, many of the items were merely nominal. In order to get a better

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[1] [i.e., the sample teacher's family recorded--Analyst]

875 idea of their living conditions, we shall now turn to a study of
● 434 their expenditures.
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Table 27.—Income of 12 Teachers' Families in One Month

Family	Teacher's salary (nominal)	Other salaries	Presents	Total income in one Month
No. 1	$40	—	—	$40.00
,, 2	40	—	$0.20	40.20
,, 3	40	—	3.15	43.15
,, 4	40	—	5.00	45.00
,, 5	38	$10 [1]	—	48.00
,, 6	40	10 [2]	—	50.00
,, 7	47	—	9.29	56.29
,, 8	40	15 [3]	1.83	56.83
,, 9	50	20 [3]	—	70.00
,, 10	40	30 [4]	2.57	72.57
,, 11	40	30 [5]	3.61	73.61
,, 12	40	40 [6]	1.00	81.00
Total	495	155	26.65	676.65
Average per family	41.25	12.93	2.22	56.39

[1] The pay of the father who was a clerk at the Police Department. It is a nominal sum, the pay being irregular.

[2] The pay of a brother for private tutoring.

[3] Salaries received by the teacher for private tutoring.

[4] This sum represents the pay of ten dollars the teacher received for private tutoring and the nominal pay of his brother as a clerk at a school.

[5] Income of the brother, a medical practitioner.

[6] Nominal salary of the sister, also an elementary school teacher.

EXPENDITURE

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511 The family expenditure of the elementary school teachers may be best studied according to the number of persons per family. The twelve families may be grouped into two classes: those having four members or less and those having more than four members. Seven of the families belonged to the former group, which consisted on the average of 3.4 persons or 2.74 equivalent adults and the remaining five belonged to the latter, which consisted on the average of 7.4 persons or 5.56 equivalent adults. It will be seen in Table 28 that of the average amount spent by each family during the month of November, 1926, for its living, food figured prominently, being $18.27, that is 38 per cent of the total. Next came the miscellaneous group, con-

APPENDIX I.

Incomes of 48 Working Families in Six Months

Family	Earnings of—				Total Earnings	Presents and Gifts	Relief	Rents	Disposal of Articles	Interests	Total Income
	Husband	Wife	Children	Others							
	$	$	$	$	$	$	$	$	$	$	$
1	—	49.023	—	—	49.023	9.343	.200	—	—	—	58.566
2	56.223	.891	—	—	57.114	3.840	.132	—	6.326	—	67.412
3	.651	1.825	58.734	—	61.210	6.114	.106	—	.530	—	67.960
4	69.894	1.692	—	—	71.586	1.890	—	—	—	—	73.476
5	63.958	—	—	7.205	71.163	2.890	.106	—	—	—	74.159
6	62.341	10.822	—	—	73.163	2.264	.531	—	—	—	75.958
7	53.076	9.601	5.302	—	67.979	2.951	.965	—	6.400	—	78.295
8	64.102	3.146	—	—	67.248	11.195	.159	—	—	—	78.602
9	42.388	16.007	1.553	—	61.948	15.318	1.930	—	—	—	79.196
10	70.527	6.317	—	—	76.844	4.401	—	—	—	.056	81.301
11	60.636	.557	.074	—	61.267	18.447	.685	—	1.440	—	81.799
12	—	7.936	74.017	—	81 953	1.890	—	—	—	—	83.843
13	69.281	8.941	3.570	—	81.792	2.257	.663	—	—	—	84.712
14	69.546	5.981	—	—	75.527	9.624	—	—	—	.056	85.207
15	77.379	6.081	—	—	83.460	2.368	.500	—	—	.133	86.461
16	71.034	13.187	—	—	84.221	2.257	.584	—	—	.056	87.118
17	67.981	9.580	5.915	—	83.476	3.010	.650	—	—	—	87.136

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APPENDIX I.—*(Continued)*

Incomes of 48 Working Families in Six Months

Family	Earnings of—				Total Earnings	Presents and Gifts	Relief	Rents	Disposal of Articles	Interests	Total Income
	Husband	Wife	Children	Others							
	$	$	$	$	$	$	$	$	$	$	$
18	67.540	6.601	—	—	74.141	13.155	—	—	—	—	87.296
19	62.677	14.780	—	—	77.457	10.618	—	—	—	—	88.075
20	67.325	3.171	—	—	70.496	21.890	.600	—	—	—	92.986
21	80.490	8.074	—	—	88.564	7.303	—	—	—	—	95.867
22	87.998	.263	6.139	—	94.450	3.310	—	—	—	—	97.760
23	74.731	6.844	—	—	81.575	16.614	.533	—	—	—	98.772
24	41.409	9.722	45.004	—	96.135	1.890	—	—	2.100	—	100.125
25	41.543	5.674	47.311	—	94.528	7.135	.106	—	—	—	101.769
26	92.197	7.797	—	—	99.994	2.225	—	—	—	.056	102.275
27	77.952	.202	11.567	—	89.721	13.550	.398	—	—	—	103.669
28	8.721	39.256	38.200	—	86.177	16.410	—	—	1.903	—	104.610
29	71.283	.396	28.465	—	100.134	1.890	3.000	—	—	—	105.024
30	—	13.691	88.521	—	102.212	2.357	1.260	—	—	—	105.829
31	87.073	11.607	5.113	—	103.793	2.522	.531	—	—	—	106.846
32	13.999	13.474	75.858	2.687	106.018	2.375	.898	—	1.300	—	110.591
33	69.130	32.134	5.794	—	107.053	3.759	1.471	—	.138	—	112.426
34	47.904	5.225	54.551	.902	108.582	2.224	1.247	—	—	—	112.083

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APPENDIX I.—*(Cotninued)*

Incomes of 48 Working Families in Six Months

Family	Earnings of—				Total Earnings	Presents and Gifts	Relief	Rents	Disposal of Articles	Interests	Total Income
	Husband	Wife	Children	Others							
	$	$	$	$	$	$	$	$	$	$	$
35	68.489	3.408	4.016	36.580	112.493	1.890	—	—	—	—	114.383
36	99.200	4.442	7.523	—	111.165	5.314	.600	—	—	—	117.079
37	27.000	—	—	67.127	94.127	16.245	—	—	7.200	—	117.572
38	28.378	23.777	16.038	—	68.193	1.890	—	50.000 *	—	—	120.083
39	56.506	5.236	57.367	—	119.109	3.310	1.180	—	—	—	123.599
40	55.819	6.163	64.250	—	126.232	2.605	.928	—	—	—	129.765
41	92.773	2.204	—	22.000	116.977	13.607	.800	—	—	—	131.384
42	97.658	.080	9.389	—	107.127	2.319	.500	26.100 §	—	—	136.046
43	97.076	7.729	.456	—	105.261	2.391	1.115	28.000 §	—	—	136.767
44	70.998	36.580	—	29.830	137.408	2.690	.100	—	—	—	140.198
45	64.786	3.840	59.850	4.627	133.103	4.418	4.616	—	—	—	142.137
46	91.477	7.813	31.096	—	130.386	9.869	—	11.100 §	—	—	151.355
47	71.480	—	82.360	—	153.840	2.284	—	—	—	—	156.124
48	3.592	—	176.683	—	180.275	2.309	.133	--	—	—	182.717

* Rent from land of about 100 *mow* (about 6.14 hectares).

§ Rent from a ricksha.

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above table. Public service includes government 463 officials, soldiers, and police; "labourers" includes workers in factories and work which does not require much skill; "Coolie" includes workers who contribute power; while "unclassified" includes more than twenty types of big and small jobs. We have included 46 unemployed, and 20 whose occuqation is not known, but there are also sixteen persons under 16 years of are included in this table who should bo subtracted from the final total.

We are not able to present any statistical figures 434 in regard to income, as in most cases Chinese workers do not have a definite wage, especially in the case of farmers and owneroperators of stores. Workers in the "communication" class, handicraft workers, and some others have a definite wage for the day's work, but their work is not regular, and they cannot say when they will be without work for several days. Store employees are paid a definite monthly wage, in addition to board and lodging, and a small share in the profits. Detailed figures for such are presented in the following chapter when dealing with other items in the analysis of stores.

that their budgets might be compared with those of the 124
poorer families to show how family expenditure is affected by difference in income.

An unexpected response from the Chinese families made it possible to enlarge the study until, on December first, the lists included 313 families. Each of the two head field-workers secured and supervised virtually one-half of the families included in the study. The problem of keeping the accounts was solved by having writers call every day, or every other day, on those who could not read and write. These writers recorded the daily receipts and expenses of the household. Some 60 families wrote their own accounts under the supervision of the head field-workers.

The months from July through November, while the list of families was being built up, were used as a time of experiment to bring out difficulties, to train workers, correct forms and revise methods of work. On December first the lists were considered complete, and no new families were added after that time. The study was continued for a full year, ending November 30, 1927. Some of the families grew tired of giving a daily report to the writers and withdrew before the year was finished, some moved away from Peiping, some households were broken by death, some accounts were incomplete and others were evidently inaccurate. Omitting all these, accounts sufficiently complete for use were secured from 283 families.
The incomes ranged from $8 to $550 a month, silver.[2] 124
One hundred and thirty-five families, 48 per cent of those 434
included in the study, had incomes of less than $30 a

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[2] Amounts are given in Chinese silver dollars. Average gold-silver exchange rate for 1927: $2.24 silver = $1.00 gold; 1931 average: $4.54 silver = $1.00 gold.

124 month; 110 families, 39 per cent of those studied, re-
● 434 ceived between $30 and $100 a month; and 38 families, 13 per cent, had incomes of $100 or more a month.

434 511 125 In order to determine how increased income influenced family expenditure, the families were divided into 19 income groups. Below $40 a month, the range for each group was $5 a month—from $5 to $9.99, from $10 to $14.99. Between $40 and $100, the range was $10 a month; and between $100 and $200, it was $25 a month. The families with incomes between $200 and $300 a month were grouped together, and those receiving over $300 a month. The small-range income groups have been used for the low-income families in order to show the change in expenditure which is the result of a few dollars difference in income, and to allow for the large proportional change made by that difference. An extra $5 a month means an increase of 50 per cent for a family ordinarily receiving $10 a month, and a 15 per cent increase for a family receiving $35 a month. Larger range groups have been both necessary and advisable for the higher income families. Between $10 and $60 a month, the income groups had from 16 to 60 families each. The other groups were smaller, with 3 to 12 families in each. The number in each group is given in Table 2. It is recognized that 19 income groups is a large number, and that in some groups there are only a few families; but, because of the general distribution of the families and the results secured, it has seemed better not to reduce the number of groups.

124 As the families included in our study lived in different parts of the city, represented a wide variety of occupations, and, so far as we could determine, were a reason-

121 was completed, the Nationalist forces captured Peking,
178 changed its name to Peiping, and moved the capital to Nanking.

DEFINITION OF TERMS

162 *Age* refers to age figured according to the Chinese system. An infant is considered to be one year old when born and two years old on the next New Year's day. The usual method of figuring the equivalent age according to the Western system is to deduct one year from the Chinese age. As the Chinese ages have been used, the limits of the five-year age groups have been set as 1 to 5, 6 to 10, rather than, under 5, 5 to 9, et cetera, the usual limits when ages are figured to the latest birthday.

434 *Budget* refers to actual income and expenditure rather than to
511 any plan of family finance. Family budget and family account are used synonymously.

Business Expense refers to items spent in connection with the business by which the family earns its living, such as ricksha rent, ricksha taxes, push-cart rent, business supplies, wages of workers doing other than domestic work. If entered in the family accounts, these items have been omitted from the expense side and have been deducted from the reported current income.

Capital Expenditure is money spent for a capital item, loaned to others, used to reduce accounts payable, invested with a savings society, deposited in a store or bank. If paid out of capital income, it has been omitted from the account, as it would then represent a reinvestment of capital funds rather than the expenditure of part of the family's current account.

Capital Income is money received from capital sources, the sale of property, borrowing, the reduction of accounts receivable, savings. Even though it represents money received, capital income has been omitted from the account unless it was used to meet current expenses.

804 A *Catty* is a Chinese unit of weight. It varies somewhat, depending upon the particular kind of catty used, but ordinarily it is taken as equivalent to 1.33 pounds.

Coalballs, the most generally used fuel in Peiping, are a mixture of coal dust and yellow earth. 372 When wet, this mixture is cut into small cubes some two inches on a side. These are rolled into balls in a large flat basket, and then dried.

The *Cost Consumption Unit* is used to measure the requirements of members of a family in terms of those of an adult male. 434 It allows for the differences in consumption due to differences in age and sex, and also the number of persons in the family in the different age and sex groups. Scales for food, clothing, rent, house furnishings, based on a study of American family budgets, have been worked out by the United States Department of Agriculture, but only the food scale has been used in this study. Not enough information has been collected to make it possible to determine how well any of the scales fit Chinese conditions. In using the food scale it has been necessary to assume that, at present, it is the best one available. The scale of units for food expenditure is given in the following table. When figuring the number of units in the Chinese families we have increased the limits of the age groups one year to allow for the difference between the Chinese and Western methods of figuring age.

COST CONSUMPTION UNITS FOR REDUCING FOOD EXPENDITURES TO TERMS OF AN ADULT MALE[5]

	First individual in age and sex group	Each additional individual in age and sex group
MALE		
19 and over	1.0	0.9
15 to 18 inclusive	.8	.7
FEMALE		
19 and over	.9	.8
15 to 18 inclusive	.7	.6
MALE OR FEMALE		
12 to 14 inclusive	.6	.5
6 to 11 inclusive	.4	.3
5 or less	.3	.2

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[5] No. 45.

436 The *Currency* in which income, expenditure and prices are given is Chinese silver dollars. Many items were paid for in copper coins and were so entered on the accounts. These have been converted to silver at the average silver-copper exchange rate for the month. Daily quotations secured from the newspapers and from exchange shops were used in figuring the monthly averages. The value of the Chinese dollar in terms of gold fluctuates constantly. The average rate for the year of this study was $1 gold=$2.25 silver.[6] In 1931, the rate was ordinarily more than 4 to 1, and for a short time even 5 to 1.

MONTHLY AVERAGE, SILVER-COPPER EXCHANGE RATE. RATE=COPPERS PER DOLLAR. ONE COPPER=10 CASH

1926, December	369
1927, January	376
" February	377
" March	384
" April	384
" May	384
" June	391
1927, July	391
" August	392
" September	388
" October	376
" November	372
Average	382

434 *Current Expenditure* is the amount spent for food, clothing,
511 rent, heat, light and water, miscellaneous.

Current Income is the amount received from wages, rent, interest, miscellaneous.

Deficit appears on an account when the reported income, both current and capital, was not sufficient to meet the reported current expenditure. Under the heading "Deficit," enough has been added to the income side to balance the account. It has been treated as part of the family's capital income.

592 A *Family* is any two or more persons living together, but only two "families" failed to include two or more people akin to each other. The number in the family includes servants, children away at school, and any members of the immediate family whose work required that they live elsewhere in Peiping, such as boys serving their apprenticeships, men living where they worked. A husband, son, or other relative living in another city was not

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[6] No. 9.

427 *Rent Value* is the amount the families occupying property rent-free have estimated they would have to pay, if they rented the property. Because the omission of rent from a considerable proportion of the accounts would greatly change the figures for the different income groups, it has seemed best to add this rent value to both the income and expense sides of the accounts in cases where families owned their homes, were allowed to live in houses rent-free, or made enough by subletting rooms at an advanced rent to give them their own quarters partly, or entirely, rent-free.

434 *Surplus* is the amount added to the expense side to balance the account when the reported expenditure for both current and capital items was less than the current income. In some instances, this surplus possibly represents some unreported expenditure. The rest would be unexpended savings.

Wages is the amount received from all forms of personal activity. It includes wages, salary, commissions, profit from business such as peddling, story-telling, fortune-telling, making and selling hair ornaments, paper flowers, medicine, pens.

167 and as far north as Fengtien in Manchuria, but none of the provinces west of Honan and Kiangsi were represented. A larger group of families would undoubtedly include natives of virtually all the provinces, especially if there were more of the higher income families. Several of the men born in Peiping gave other provinces as the family origin, but also reported that the family had been in Peiping more than a hundred years.

167 It is suggestive to note that while the heads of 75 per
434 cent of the families with incomes of less than $25 a month were natives of Peiping, the proportion decreased as the income increased, and was only 32 per cent for families with incomes of more than $100 a month. Ninety-six per cent of the families with incomes of less than $25 a month were natives of Peiping or Hopei province, but this was true of only 64 per cent of those receiving more than $100 a month. (Table 1.) All but two of the 13 families that came from the more distant provinces had incomes of more than $50 a month. Of the 113 non-native families, all but 16 had been in Peiping more than five years, and all but 44 more than ten years.

SIZE OF FAMILY

162 At the beginning of the study there were 1,312 persons in the 283 families. These persons included 46 servants living with 33 families, and also family members living in Peiping whose work made it impossible for them to come home except occasionally, such as policemen, those working as servants for others, boys serving their apprenticeships. Members of the family living outside of Peiping were not counted, even though they contributed to

the support of the family. Married daughters were not 162 included, even if they lived in Peiping, since a married woman is a member of her husband's family, rather than that of her parents.

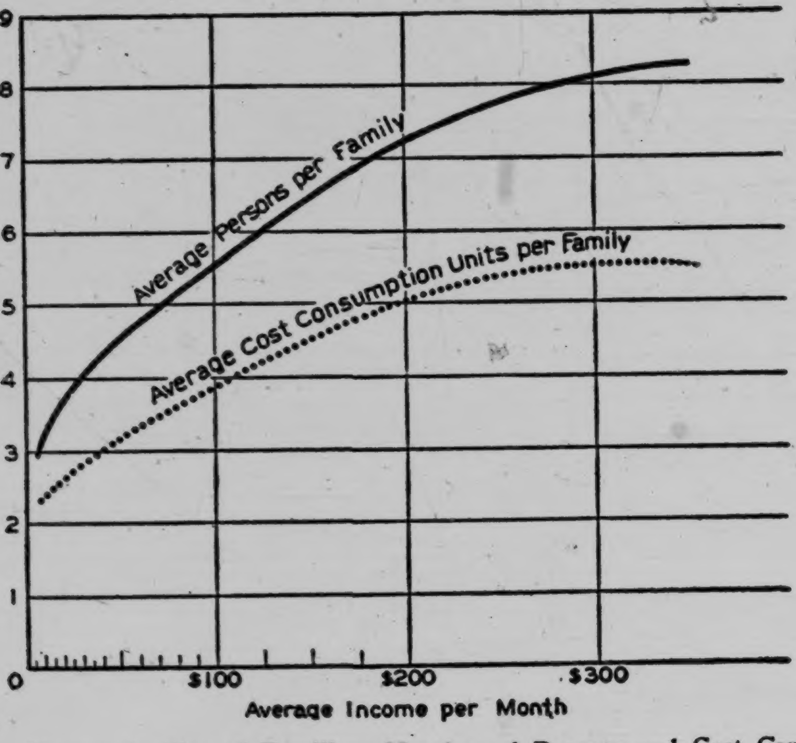

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FIGURE 4—Size of Families: Number of Persons and Cost Consumption Units.

There were 4 persons in the median family and 4.6/162 persons in the average family. In the different income 595 groups the averages ranged from 3 to 8.6, the number generally increasing as the family income increased. (Table 2.) This tendency is graphically shown in Figure 4. Even if servants are omitted, the number in the family still shows a definite though lessened tendency to increase

465 was paid 180 coppers, 49 cents, a day in December; then $16 a month for two months; then 220 coppers, 57 cents, a day for one month. In April his wage was $12 for the month; but beginning in May it was 260 coppers, 68 cents, a day for the rest of the year.

465 Porters, push-cart men, and ricksha men usually are
494 paid by the job. Their daily earnings therefore fluctuate widely, depending upon the weather, the amount of work available, the men's success in securing employment. The average income of the porters included in our group varied from 54 cents to $1.90 a day, for the days they worked. The average time lost during the year—that is, the number of days with no reported income—was 70, or six days a month. Three men lost more than 90 days, or three full months. The push-cart men earned an average of 63 cents a day. They lost an average of one day a month. One man paid 30 coppers, 7.5 cents a day, as rent for his cart; another from 30 to 40 coppers, or an average of 9.4 cents a day.

465 The average income of 32 ricksha men was 56 cents a
434 day. Their individual earnings, for the days they worked,
494 ranged from an average of 37 cents to one of $1.12 a day. This is net income, as the rent paid for their rickshas, or the amount paid for taxes, tires, and supplies if they owned their own vehicles, are business expenses and therefore deducted from the man's gross earnings. One thousand ricksha men, studied in 1924, reported their average net earnings as 38 cents a day.

The ricksha rents ranged from $2 to $6 a month. The average was $3.10 a month, or approximately 10 cents a day. The amount of the rent is usually determined by the quality of the vehicle and whether it is rented for a

full or a half day. We have been interested to find that 465
most of the men do not pay the same rent throughout the 434
year. Several paid as many as five different rates, and 494
two paid six. One of the latter paid four different rates during one month. They ranged from 20 to 40 coppers. For most of the men, the January rent was different from that for December and February. It was increased for one-half and decreased for the other half. It would be interesting to know if some of the men were preparing for the heavier traffic before Chinese New Year, and attempted to get more business by having better-looking rickshas. When the rent was reduced, some of the men may have kept their regular vehicles, but paid less rent because January is the coldest month of the year, and, except for the days just before New Year's, business is hard to find. Others may have thought they could get their usual amount of business even if they used poorer vehicles, and consequently attempted to save money by paying less rent.

Eleven men, 29 per cent, owned their rickshas. Among the 1,000 ricksha men studied in 1924, we found only 3 per cent owning their vehicles. The ricksha men lost an average of 28 days during the year, or a little more than two days a month. Three men reported some income every day of the year, and more than one-half of the group lost less than one day a month. On the other hand, four men, because of sickness, lost between 90 and 120 days. One-quarter of the group lost more than 60 days each. Many, if not most, of the men find it difficult to pull regularly without some rest days.

The carpenters worked an average of 24 days a month, 335
and the masons 20 days. Because of the seasonal nature

III

INCOME

● 434 THE total gross income reported by the 283 families was $198,496.40. Where the families reported amounts spent for current business, such as business supplies, wages of assistants hired to help with business rather than domestic work, rent of rickshas and push-carts, these have been deducted from both the income and expense sides of the account. Where families rented larger houses than they needed for their own use and sublet rooms at an increased rent, the accounts have been adjusted to show the net rent. When the total income from both current and capital sources has been more than the reported current expenditure, as much of the capital income as has not been needed to meet current expenditure has been deducted, since, not being used for current items, it would be reinvested, or held as cash. In either case, it would not have a place in the current budget. The sources of capital income ordinarily were the sale of property, the reduction of bills receivable, borrowing, money received from savings societies, other savings. In making the above adjustments the total deducted from the gross income was $20,469.50.

Additions have been made to income where families owned the house they lived in, were given their house rent-free, or where they have secured their rooms partly, or

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entirely, rent-free by subletting rooms at an advanced rent. The rent value of the house used rent-free has been added to both the income and expense sides of the account, as it was felt that the figures would be unbalanced if rent appeared on the expense side of some of the accounts and not on others. This free-rent item appeared on 93 accounts and amounted to $11,864.90.

When the total income from both current and capital sources has been less than the reported current expenditure, the accounts have been balanced by adding a deficit item to the income side. This appeared on 38 accounts for a total of $3,264.50. Many of the families said this was met from money in hand at the beginning of the budget year, or from unreported drawings on savings. Others admitted they had a deficit, but did not tell how they met it.

After the above adjustments were made, the total income was $193,156.30, or an average of $683 per family per year.

Wages was by far the largest item—$141,042.60, or 73.1 per cent of the total income. Rent from all sources, land, houses, rickshas, rent value of houses occupied rent-free, totaled almost $30,000, or 15.3 per cent of the income. If interest is added to rent, the proportion of current income received from property was 18.2 per cent. This seems to be a high figure, especially in view of the low incomes of so many of our families. Later figures will show, however, how the average amounts and percentages varied in the different income groups. Miscellaneous receipts, which included wedding, funeral, birthday and New Year's presents, income from gambling, money sent by relatives, and money received for keeping the family accounts, amounted to $5,629.10, or slightly less than 3 per cent of the total income. The families who were unable to live within their income, or at least did not live within it, used $11,149.35 of their capital for current expenses. This was 5.8 per cent of the total income. (Table 6.)

Some money was received as wages by all but 11 families, or 96 per cent of the group. Nine of these 11 received their principal income from rent, and two from interest. Seven of the 11 were in the $40 and $50 groups. Sixty-eight families, 24 per cent, received rent from property owned, land, houses, rickshas, water districts. Ninety-three families, almost one-third, lived in their own houses; or were given houses rent-free by employers, relatives or friends; or made part, or all, of their rent by subletting rooms. The rent value of the house was counted as rent income. If the two rent items are combined, 113 families, 40 per cent, received some rent income. Thirty-five per cent, 99 families, reported income from interest, and 176 families, 62 per cent, from miscellaneous sources.

On 83 budgets, 29 per cent, the reported current expenditure was more than the current income. On 45 accounts this difference was covered entirely, and on 26 more it was covered partly, by funds secured from capital sources, by borrowing, by the reduction of outstanding loans, by the sale of property, by drawing on savings. On 38 accounts the current expenditure was more than all reported receipts, both current and capital. In these cases, the amount needed to balance the account has been entered under the heading "Deficit," and has been considered to be part of the family's capital income.

Except for the $200 group, every income group included some families whose current expenditure was more than their current income. In every group there were also some families whose current income was more than their current expense. These items of surplus and deficit have not been set off against each other in the different income groups, but both have been included in the group averages. If one or the other were eliminated, capital income would appear in only three groups, for only in the $5, the $100 and the $125 group was the total capital income more than the total current income spent for capital items, or held as surplus.

The average amounts received per month from various sources by the families in the different income groups are shown in Figure 6 and are given in detail in Table 7. Wages ranged from $6.55 to $248.40 a month; rent from nothing to $79.05; interest from nothing to $10.85; miscellaneous from 25 cents to $25 a month; capital from nothing to $40.45. Figure 6 shows how the amounts tended to increase as the total income increased. Wages showed the largest increment, and rent the next largest. There was more fluctuation in the figures for the other items. The average amounts were ordinarily small, in many instances less than $1 a month, and therefore were more affected if one family in the group happened to receive a specially large amount from one particular source. Thus, in the $40 and $60 groups, the interest average was relatively high, $2.70 and $10.30, as each group included one family that received no wages but secured virtually all of its income from interest on money loaned to others. Miscellaneous was specially large, $25 a month, for the $175 group, as one family received wedding presents

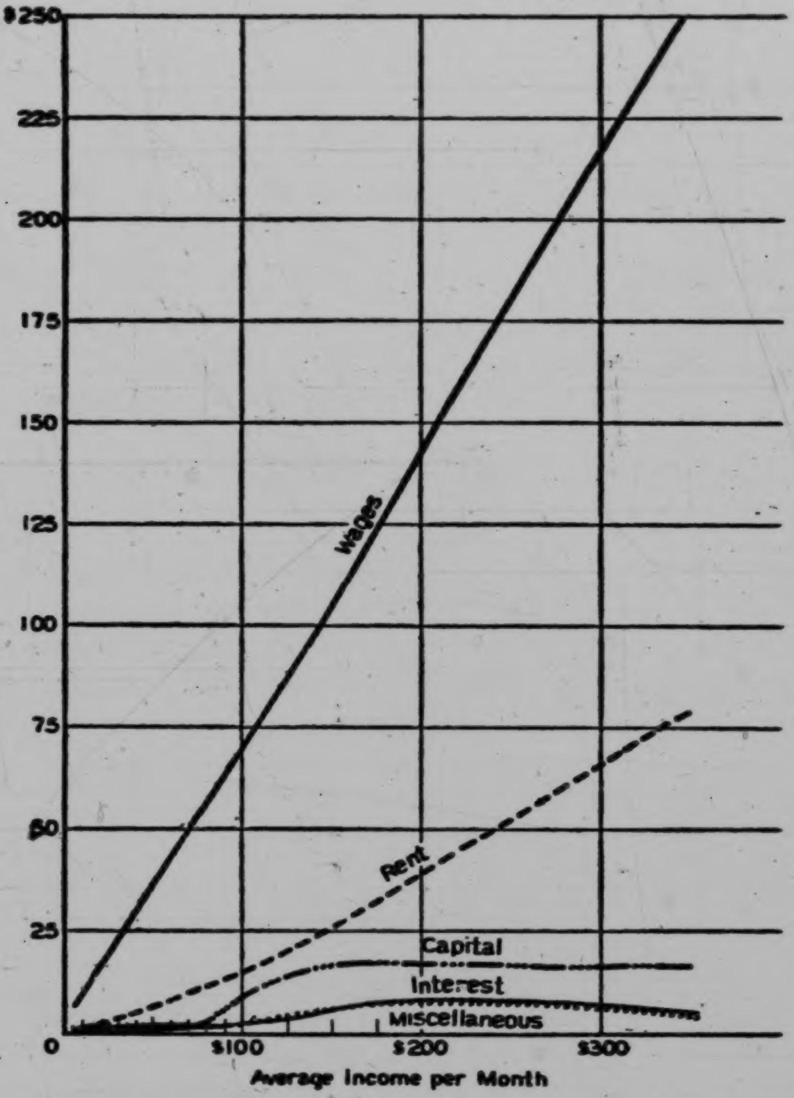

FIGURE 6—Income: Amounts Received from Different Sources per Month.

amounting to $600, and there was a $300 item on the account of another family. The amount of capital used by the $125 group averaged $38.50 per month, because one family had a deficit of $961.60, another family one of $434.55. The first family had to draw on its savings for the living expenses of 11 persons during one-half the time they were keeping accounts for us, as the father and breadwinner lost his job and later died. The cost of his funeral was more than met by presents of money given by relatives and friends. (Funeral No. 12.) The other family spent $307.60 for education, and had to use $120 repairing their house. The amount for education included the fees for one son in college.

The figures showing the proportions of the family income received from various sources give a quite different picture. (Table 8.) The proportion received from wages ordinarily decreased as the total income increased. Below $35 a month, all but the $5 group received more than 80 per cent of their income from wages. From $35 to $100 a month, the proportion was regularly between 70 and 80 per cent; and over $100 a month between 60 and 70 per cent.

The proportion received from rent was only 2.4 per cent for the $10 group; 5.2 per cent for the $25 group; and less than 10 per cent for all the groups below $35 a month. It was regularly between 10 and 20 per cent from $35 to $200 a month, and over 20 per cent when the total income was more than $200 a month. The $50 group showed an unusually high figure, 25.3 per cent, as it included four families who received no wages, but secured virtually their entire income from rent.

For interest, the figures range from 0.1 per cent to 15.8

per cent. Under $90 a month, more than half the groups have an average of less than 1 per cent, and all but two are less than 2 per cent. Over $90 a month, the figures for all but one group are over 2 per cent. The figures for the $40 group are large because the group included a money-lender who received his entire income from interest; and for the $60 group, because one family received 42 per cent, and another 100 per cent, of its income from interest.

In the lower income groups, the proportion for miscellaneous receipts decreased as the income increased, to $35 a month. It was 11.8 per cent for the $5 group, but only 1.4 per cent for the $30 group. Most of this miscellaneous income was the $1 a month paid some of the families for keeping the accounts. It would naturally represent a high proportion of an income of less than $10 a month. Above $35, there was considerable fluctuation in the proportion received from miscellaneous sources; but, except for the $175 group, the figures showed a tendency to stay at about the same level. The 13.8 per cent for the $175 group was the result of two items. One of these was the $600 given by friends and relatives for wedding presents.

The proportion of income derived from capital, or written into the accounts as deficit, was less than 5 per cent for some two-thirds of the income groups. In one, the $200 group, no capital funds were used. In only three groups was the average more than 10 per cent. In the $5 group it was high, 14.1 per cent, as the families could not live on their current income. In the $125 group, it was 28.7 per cent, because expenditure for education and house repair made the figure 33.7 per cent for one family, and unemployment made it 69.5 per cent for another family. How the different percentage figures tended to change, as the family income changed, is graphically shown by the smoothed curves in Figure 7.

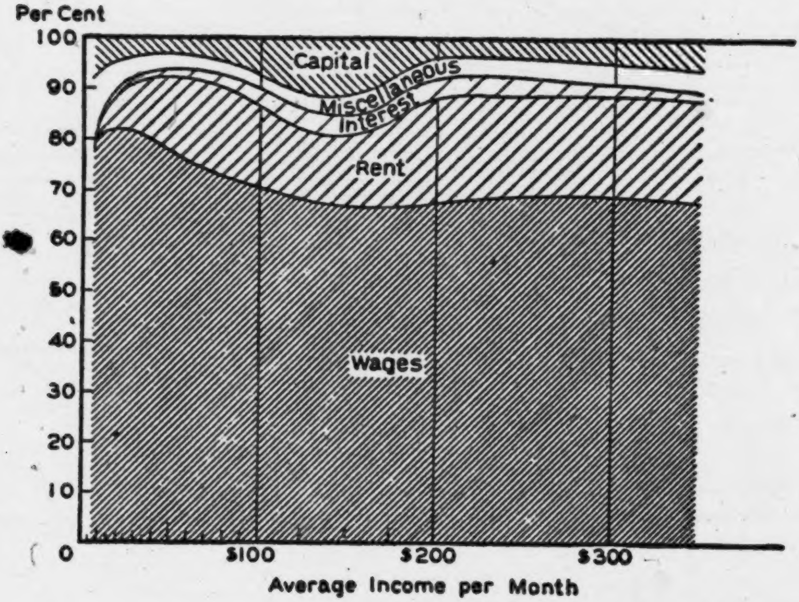

FIGURE 7—Income: Proportion Received from Different Sources.

any detailed study of the type and quality of the houses 511x occupied by our families. Occasional notes such as "Third room too bad to use," "Poor house so low rent," gave a rough idea of the condition of some of the houses. We did determine, however, the approximate size of the houses, and the amount of rent paid for them.

Families that owned their homes, or were given houses 511x rent-free, presented a problem. Taxes, insurance, et 434 cetera, are usually found in the budgets of families owning their homes and, in part, take the place of rent. These items were almost entirely missing from our budgets; the families had no expenditure for rent, and repairs, upkeep and taxes were minor items. Rather than upset the rent figures by including a considerable number of no-rent families, or by omitting those families from the rent calculations, we have secured the families' estimates of the rent value of the rooms they occupied, and have put that into their budget as the amount spent for rent. This entry on the expense side has been balanced by entering an equal amount on the income side. With the rent value entered in both the income and expense side of the accounts, it is as though the family rented their home to others and lived in similar rented quarters. Several families who owned houses were doing exactly this, except that the rented-rooms were not always the same as the house they rented to others.

The use of the rent value occasionally gives unusual figures, especially where the families own, or have been given, the use of houses with unusually large rent value. This is particularly true in the $200 group where two families owned 12-room houses, and one a house with 28 rooms. It was also true in the $150 group where one x 511 family was given the use of a ten-room foreign-style 434 house, and another family owned a 21-room house. Then too, adding the rent value to the income often has put a family in a higher income group than would otherwise be the case. In spite of these complications, however, it has seemed the best way of adjusting the family accounts so that they all included expenditure for rent; and the best method of giving an accurate picture of the housing situation of all the families.

423 Fifty-one families owned the houses in which they were living at the beginning of the budget year. Nine more owned property they might have occupied but, when the study began, were living in rented houses, or in quarters given them by their employers. Three of the nine moved into their own houses during the year. The 60 house owners are 21.2 per cent of the families studied. How this compares with all of Peiping it is impossible to say, as there are no available figures on home-owning for the entire city. In some of the larger American cities from 23.4 to 38.9 per cent of the families own their own homes.[1]

It was surprising to find that nine families with incomes of less than $25 a month were property owners. This was 8 per cent of the families in that income group. As the family income increased, the proportion owning property naturally increased and increased rapidly. It was 18 per cent for the families with incomes between $25 and $50 a month; 34 per cent for those whose incomes were between $50 and $100 a month; 47 per cent for those receiving more than $100 a month; and 64 per cent for those whose income was more than $200 a month.

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[1] U. S. Census, 1920, for Chicago, Pittsburgh, Philadelphia and St. Louis.

the ricksha and peddler taxes were business taxes, they 651
were not included in the family accounts. 511*

The details of the expenditure for weddings, funerals, engagements and birthdays, most of which were included under incidentals, are given in Chapter X.

SURPLUS AND INVESTMENT

Most of the families made some capital expenditures, 434
lent money to others, repaid money they had borrowed, 454
invested in savings societies. Besides these capital items, 511*
many of the accounts showed a surplus. Many also showed capital items on the income side, amounts received from money borrowed, loans returned, property sold, or money drawn from savings societies or banks. Where it was evident that capital income was used for capital expenditure, the amounts, both income and expenditure, were eliminated from the accounts. Capital transactions appear in the accounts, therefore, only when capital was drawn on for current expenditure, or current income was sufficient to provide funds for investment. If the reported income, both current and capital, was less than the current expense, the difference was entered on the income side as a deficit; but when current income was more than the reported expenditure for both current and capital items, the difference has been entered as surplus on the expense side of the account, and treated in the same way as any other expense item. Many budget studies do not take account of this surplus, but it seems logical to include the uninvested as well as the invested savings. The only difference between them is that one was spent for some capital item, while the other was held as cash at the end

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434 of the year. Furthermore, although every family, when
454 consulted about the surplus or deficit shown by its account,
511 reported that it represented the approximate amount for the year, some of the apparently unexpended surplus probably was used for unreported expenditures. In the tables, the invested and uninvested surplus have been combined.

For 200 families, 71 per cent, current expenditure was less than current income. The averages per family for the different income groups ranged from $6.40 a year for the $5 group, to $1,135 a year for the $300 group. (Table 34.) The amount was over $50 a year for all the groups with incomes of more than $30 a month; over $100 a year for all the groups over $60; but over $300 for only the three highest income groups. The increase was especially rapid in the $200 and $300 groups, the averages for each being $400 more than that of the next lower income group. The total surplus of the 200 families amounted to $30,624.05. Of this amount, $9,419.45 was spent for capital items, while $21,204.60 represented the unexpended surplus. One hundred and fifty-two families, 54 per cent, used some of their current income for capital expenditure. Surplus appeared on 175 accounts, 64 per cent.

As the average surplus for each income group is figured on the basis of all the families in the group, and in all but one of the income groups there were one or more families with a deficit—families whose current expenditure was more than their current income—the average surplus, per family reporting, was higher than the amounts given above. For the $10 group, it would be $14.30 instead of $9.50; and for the $300 group, $2,270 instead of $1,135.

In the $5, the $100, and the $125 groups the total deficit 434
was more than the total surplus. 454

For seven groups, the average surplus was less than 10 511x
per cent of the budget. It was over 20 per cent for four groups. The minimum was 5.4 per cent for the $5 group; and the maximum 25.6 per cent for the $200 group. (Table 35.)

Considering the limited amounts of money in some of the smaller budgets, it seems remarkable that more than two-thirds of the accounts show a surplus, and that such a relatively large proportion of the budget should be included under this heading. This may be due in part to the figures being incomplete, but in view of the checks kept on the accounts, the general uniformity of the figures, et cetera, it seems evident that, for this particular year at least, a large proportion of the families, with small as well as large incomes, were able to live within their income and to save money. In all but one of the 12 income groups receiving less than $90 a month, more than 60 per cent, and in four groups over 80 per cent, of the accounts showed a surplus over and above current expenditure. In three of the seven groups above $90 a month, the proportion was less than 50 per cent; and in two of these it was less than 35 per cent. The size of the family income does not seem greatly to affect the proportion of the families able to make some saving, except that in the higher income groups, where the families would have more savings, they were more ready to use their capital to meet some special need that could not be covered by current income.

Forty-two families were members of one or more sav- 454
ings societies, to which they ordinarily made regular pay-

XII

SUMMARY OF FINDINGS

THE 283 families included in this study are a representative group with incomes from $8 to $550 per month. 434 A large proportion of them belonged to the wage-earning, artisan, or small-business group, as 135, or 48 per cent, had incomes of less than $30 a month. One hundred and ten families, 39 per cent, received between $30 and $100 a month, while 38 families, 13 per cent, had more than $100 a month. This range of income makes it possible to compare the expenditure and other figures of families with different amounts of income, and to show how such a difference affects the size of the family, the kinds and quantities of food used, the amount of fuel purchased, the expenditure for clothing, et cetera.

The families were well distributed throughout the city 563 of Peiping, there being some in all but two of the 20 police districts. Chinese, Manchu, and Mohammedan families were included in the group, but the only difference in family expenditure, due to race, seems to be among the Mohammedans, who do not eat pork, or use coffins when burying their dead. The households were well adjusted to life in Peiping, as, in 60 per cent of the families, the heads of the house had been born in the city; all but 16 families had lived there more than five years; and all but 44 had been there more than ten years.

434 Three-quarters of the families with incomes of less than $25 a month were natives of Peiping, but only 32 per cent of the families with incomes of more than $100 a month. (Table 1.)

162 There were 1,312 persons in the 283 families. Forty-nine per cent were males, or 643 males and 669 females.
434 The population of Peiping is 63.5 per cent male.[1] The families ranged in size from two to 24 persons. Nineteen families, 7 per cent, had eight or more members. There were four persons in the median family, and 4.6 in the average family. If the families are divided into income groups, the group averages show that the size of the family increased as the family income increased. The income group average was less than four persons until the families received more than $15 a month; generally between four and five persons until the income was over $80 a month; and over eight persons when the income was more than $200 a month. (Table 2.) This increase in the size of the average family group living together seems to be typical of Chinese families. Servants were counted as family members, since their food, et cetera, is provided by their employers and consequently is part of the family budget. There were 47 servants working for 34 families. All but five of these families had incomes of more than $90 a month.

If the needs of the families are expressed in terms of those of an adult male, the average number of cost consumption units in the average family was 3.2. The number increased as the family income increased, and at virtually the same rate as the number of persons in the family. It was 2.3 for the $5 group; generally less than

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[1] No. 17.

three until the income was over $60 a month; over four 162
when the income was over $125 a month; and over five 434
when the income was above $200 a month. (Table 2.)

The average age of the group was some twenty-eight 162
years, Chinese count. In some American cities, the average person is approximately two years older.[2] Eighty-four per cent of the females and 74 per cent of the males over fifteen years of age had been married; but 13 per cent of the women and 4 per cent of the men had been widowed and had not remarried. There was more than
one wife in only two families. Judging from the number 582
of single persons in the different age groups, the most popular marriage age seems to be from twenty-one to twenty-three for the women, and from twenty-six to twenty-eight for the men. Eighteen births, 15 deaths, and nine weddings were reported during the year.

Income was earned by 340 men working in 55 occupa- 434
tions, and 98 women engaged in 13 kinds of work, an 463
average of 1.5 persons per family. (Table 4.) There was more than one wage earner in 106 families, 37 per cent. One family had six workers, a vegetable peddler, two ricksha men, three women weaving cloth. The largest occupational groups for the men were clerks and accountants 47, ricksha men 46, peddlers 25. More than half of the women workers earned small amounts sewing and washing. None of the women in the 23 families with incomes of more than $150 a month were gainfully employed, and in only four of the 45 families with incomes between $70 and $150 a month were any of the women working. They were nurses and teachers.

The group included four Mohammedan families, and 000

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[2] No. 44.

The group included four Mohammaden families, and

434 52 families in which there was some Christian influence.
563 This is a smaller proportion of Mohammedans and a much larger proportion of Christian families than would be true for the entire city; but there does not seem to be any noticeable difference between the accounts of these families and the others, beyond the fact that the Mohammedans do not eat pork, and that there is a tendency for the Christian families to give more money to religious and welfare organizations than the non-Christian families do, and to reduce somewhat their expenditure for incense, paper gods, paper money, items used for non-Christian religious observances.

INCOME

434 The total income of the 283 families was $193,156.30, or an average of $683 per family per year. Of this amount, $170,142 was from current sources, wages, rent, interest, miscellaneous. The rent value of houses occupied entirely, or partly, rent-free by 93 families amounted to $11,864.90. The 83 families spending more than their current income, drew on their savings, increased their indebtedness, disposed of property for a total of $11,149.35. (Table 6.)

Some money was received as wages by all but 11 families. Nine of the 11 received their principal income from rent, and two from interest. Wages ordinarily represented more than 80 per cent of the family income until the total was more than $35 a month. From $35 to $100 a month, the proportion was regularly between 70 and 80 per cent; and between 60 and 70 per cent when the family income was more than $100 a month. Rent, including rent value, was only 2.4 per cent of the income of the $10 group; and was less than 10 per cent for the 434 groups below $35 a month. It was usually between 10 and 20 per cent for the groups between $35 and $200 a month; and over 20 per cent when the total income was more than $200 a month. Interest, for more than half the income groups, amounted to less than 2 per cent of income, and in only four groups was it more than 5 per cent. Miscellaneous receipts were high, more than 10 per cent for the two lowest groups, chiefly because of the dollar a month the families received for keeping their accounts. When the income was more than $25 a month, miscellaneous receipts were ordinarily less than 4 per cent, and in almost half the income groups were less than 2 per cent of the income. The amount of current expenditure that had to be financed by borrowing, drawing on savings, or from capital, varied from group to group, but was less than 5 per cent for some two-thirds of the income groups. In the $125 group, the average was 28.7 per cent, since, because of unemployment, 69.5 per cent of the income of one family came from capital, and another family drew on its savings for 33.7 per cent of its income in order to cover the cost of the children's education and a bill for house repairs. (Tables 7 and 8.)

EXPENDITURE

Since the accounts were balanced, the total expenditure 511 was the same as the total income, $193,156.30. Thirty-four and one-half per cent of this amount was spent for food. The average was $235 per family per year; $4.25 per person per month; and $6.10 per cost consumption unit per month. Clothing bought during

TABLE 6

434 **INCOME: Amounts Received from Different Sources by 283 Families During One Year, and Number of Families Receiving Income from Each Source**

	No. of Families	Amount		Per Cent	
Wages	272		$141,042.59		73.1
Rent	113		29,826.44		15.3
1—Free Rent	93	11,864.91		6.1	
2—Rent Received From Property	68	17,961.53		9.2	
Interest	99		5,508.79		2.9
Miscellaneous	176		5,629.10		2.9
Capital	71		7,884.85		4.1
Deficit	38		3,264.51		1.7
Total			$193,156.28		100.0

TABLE 7

Average Income from Various Sources—Amount Received Per Month by Families in Different Income Groups

Monthly Income	Wages	Rent	Interest	Miscellaneous	Capital	Total
No. Reporting	272	113	99	176	83	
$ 5— 9	$ 6.53	..	..	$ 1.00	$1.14	$ 8.67
10— 14	10.93	$ .29	$ .05	1.27	.32	12.86
15— 19	15.60	.47	.01	1.11	.70	17.89
20— 24	18.06	1.22	.40	1.19	.92	21.79
25— 29	23.94	1.38	.08	.93	.62	26.95
30— 34	26.26	2.69	.26	.45	2.62	32.28
35— 39	29.50	5.56	.39	.98	1.08	37.51
40— 49	31.54	6.24	2.72	1.44	1.98	43.92
50— 59	38.50	13.44	.27	.33	.99	53.53
60— 69	40.91	11.87	10.32	.49	.05	63.64
70— 79	57.77	7.34	1.33	3.60	3.34	73.38
80— 89	67.22	14.85	.58	.24	1.35	84.24
90— 99	72.03	10.15	2.15	2.06	9.52	95.91
100—124	74.23	21.05	4.30	4.17	10.55	114.30
125—149	64.54	22.35	8.02	3.92	38.80	137.63
150—174	118.46	28.88	3.75	2.77	6.09	159.95
175—199	118.11	20.00	10.39	25.00	12.17	185.67
200—299	171.51	52.85	10.86	3.24	...	238.46
300—	248.40	79.03	5.64	4.25	40.46	377.78

TABLE 8

Average Percentage of Income Received from Various Sources by Families in Different Income Groups

434

Monthly Income	Wages	Rent	Interest	Misc.	Capital
$ 5— 9	74.1	..	..	11.8	14.1
10— 14	84.3	2.4	0.4	10.0	2.9
15— 19	87.2	2.5	0.1	6.2	4.0
20— 24	82.8	5.7	1.8	5.6	4.1
25— 29	88.6	5.2	0.3	3.5	2.4
30— 34	81.4	8.2	0.8	1.4	8.2
35— 39	78.5	14.9	1.1	2.6	2.9
40— 49	71.5	14.4	6.5	3.3	4.3
50— 59	71.8	25.3	0.5	0.6	1.8
60— 69	64.6	18.7	15.8	0.8	0.1
70— 79	79.0	9.9	1.8	4.7	4.6
80— 89	80.1	17.4	0.7	0.3	1.5
90— 99	75.5	10.4	2.2	2.1	9.8
100—124	65.2	18.8	3.7	3.4	8.9
125—149	46.5	16.4	5.6	2.8	28.7
150—174	73.8	18.2	2.3	1.8	3.9
175—199	63.1	11.2	5.3	13.7	6.7
200—299	72.4	21.7	4.6	1.3	..
300—	66.8	20.3	1.2	1.1	10.6

TABLE 9

EXPENDITURE: Amounts Spent by 283 Families During One Year for Different Budget Items

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	Amount		Per Cent	
Food		$66,543.35		34.5
Clothing		16,333.83		8.4
Rent		22,195.30		11.5
Heat, Light, Water		14,442.38		7.5
Miscellaneous		73,641.42		38.1
Education	$5,239.00		2.7	
Communication	4,439.95		2.3	
Contributions	2,142.19		1.1	
Health	3,596.88		1.9	
House Equipment	3,633.83		1.9	
Labor	2,692.26		1.4	
Entertainment	15,031.21		7.8	
Religion	601.35		0.3	
Capital and Surplus	30,624.05		15.8	
Incidentals	5,651.70		2.9	
Total		$193,156.28		100.0

124 fact, their houses were not even numbered and the rooms were invariably so small that the investigator could not possibly go in, while female inmates were there. Frequently their relatives or friends were asked to serve as guides, taking the investigator to the various houses. The time available for the investigation was rather limited, as the workers being mostly of the skilled class were generally only free at their respective homes from seven to ten o'clock in the evening. Needless to say, our purpose of making this investigation that was repeatedly explained to the resident workers had to be reiterated to the non-resident workers. It was a trying task to the investigator to have to listen patiently to the endless tales of the miserable families on the one hand and to be economical in time on the other, for any sign of impatience which he might show on his part would be interpreted to imply insincerity and lack of sympathy. Thus, the amount of time consumed in the investigation of one family was about one hour and a half which was often sufficient for investigating three resident workers. It may be argued that the time thus consumed might be spared, if the investigator could just call in those workers and question them instead of visiting them at their homes. But then it would deprive him of the opportunity to gain first-hand impressions on the living conditions of the workers at home. A careful examination of the home environment often disclosed to the investigator certain points which the worker either failed to report or failed to report accurately.

464 Irregularity of the Work.—With the exception of seventy-five
●434 who were skilled, all the other workers in the factory were
511 constantly subject to change of employment, and, as a consequence, their cost of living must have changed also. Worker A, let us say, was engaged in salt manufacturing in March, and his expenses for food and clothing were rather high, as his income was increased to the amount of $4 or $5 a month. In June, however, he might be transferred to do the job of a watchman with a reduction of his wage and all his expenses had to be reduced accordingly. In November, he might again be called upon to pull coal cart. His expenses for shoes and socks might

be increased, but at the same time cart pulling would secure for 464
him a goodly amount of "salt bonus." The change in the cost 434
of living of such a worker is sometimes immediate and some- 511
times comes after a period of one or two months. To obtain absolutely correct figures of the yearly cost of living from such a worker is not only impossible for the investigator but also complicated enough for the worker himself, for we could hardly expect him to remember all his expenses in detail, while his economic conditions changed several times a year. It should, therefore, be stated that what we are presenting in this book is but a conservative estimate of the worker's average expenses for the preceding twelve months.

Question of Social Respect.—Traditions and customs in 123
China present a peculiar problem to the social investigator. The Chinese people are usually reserved, though often keenly sensitive to the treatment they receive. Whatever their station in life their dignity is to be respected at all times. It is, therefore, often a delicate matter to obtain reliable information from the worker without infringing too much upon his privacy or causing displeasure. In asking such questions as the age of a girl, value of one's property, debts incurred, articles pawned, etc. it is not only distasteful to the informant but also quite embarrassing for the investigator. In the case of re-investigation and confirmation, where the same questions had to be asked once over again, the situation was particularly delicate, for it naturally revealed our skeptical attitude, if not, our entire disbelief in the truthfulness of the previous answers of the informants.

III. LIMITATION OF OUR DATA

Business Secrecy.—It is generally known that no business 128
man is willing to give out certain facts of his business or the condition of his factory. And, of course, the factory under investigation is no exception to the rule. Inasmuch as the aim of our investigation is merely to find out the cost of living of the workers, only a general description of the factory will suffice

Only 45 of the resident workers were married. As shown 162 in Table 20, 43 workers were married before the age of 30; of these, 26 were married before the age of 20. It is noteworthy that two workers were married at the young age of 14. Women, it seems, were married at a much younger age than men and they were all married before 25. But, on the whole, it appears from the table that most men and women were married between 16 and 20. Early marriage in China, though at present declining in modern cities, has been quite common in conservative country districts.

Age difference between husbands and wives was found to be as follows: same age 2; husbands older than wives 29, wives older than husbands 14. It seems that among the husbands who were older than their wives, the difference was usually one or two years. Late marriage among men is often due to their inability to support the family, but, in such late marriages, men usually get younger wives. Early marriage in the country districts often happens, when the parents want a daughter-in-law to help take charge of household affairs; in this case, a daughter-in-law somewhat older than the son is preferred.

Of the 86 workers, there were 12 illiterates and 74 literates. 212 Of the latter, 47 were able to read newspapers and 27 were not. Only 22.7 or about one-fourth of the total number of literate workers had some sort of schooling. At the time of the investigation, 66 out of the 74 workers were attending the Workmen's School; the rest who were not were all over 25, which is the age limit set by the factory for compulsory education. There is no doubt that the Workmen's School renders a very useful service to the workers as it was found that at least 26 of the workers who could read newspapers have been educated there. And it is said that some of the literate workers had even begun to take interest in fiction and light literature.

II. INCOME AND EXPENDITURE OF THE 86 RESIDENT WORKERS

As has been stated in Chapter II, the income of the workers 434 in the Chiu Ta Factory consists of six items: (1) wages (2)

434 extra month's pay (3) general bonus (4) salt bonus (5) allowance for working over-time and (6) commutation of gifts. It should be noted that the data of our investigation concerning the income and expenditure of the workers were confined to the yearly period, July 1926 to June 1927, and such events, as the increase of wages or deductions of them due to leave of absence which occurred in the meantime, should, of course, be taken into consideration, in order to ascertain the exact amount of their income.

It will be seen from Table 21 that the income of the resident workers under investigation varied from $115 to $265 a year and the range of variation is $150. The table shows also the average income of each worker derived from various sources.

Three items, viz. wages, extra month's pay and general bonus, formed the most important sources of the worker's income, as they constituted, on the average, 85.4 per cent of the total income. It will be seen from the Table that they are particularly important to the workers of high income groups who, either on account of their skill or on account of their long terms of employment in the factory, received 96 per cent of their income from these three sources. Salt bonus, the next important source of income, is paid only to salt-refining workers, those engaged in subsidiary work, like the workers in the last two income groups of the Table, being denied the benefit of it. Its significance is shown particularly in the third and fourth income groups, in which salt refining workers predominated.

511 In studying the expenditure of the resident workers, it should be borne in mind that they were all "single," at the time of the investigation. About half of them had been married and had left their wives at home, but even those who had not been married had also to support families in their native districts. Thus what a resident worker earns is usually spent partly for his own living expenses, excluding house rent, at the factory and partly for the support of his own people at home. For the latter, a portion of his savings is remitted home from time to time

8: Lin E-5 (1927)1928 AF12 North China AF12

Table 21—Sources and Amounts of Incomes in One Year of the 86 Chiu Ta Resident Workers, by Income Groups.

Income group	Number of workers	Average annual income per worker from—						Total average income per worker
		Wages	General bonus	Extra month's pay	Salt bonus	Gifts commuted	Allowance for working over-time	
$115 and under $140	23	$91.26	$13.87	$ 7.33	$9.70	$8.97	$ 0.18	$131.31
$140 and under $165	35	102.42	17.55	7.99	12.58	8.92	—	149.46
$165 and under $190	21	117.42	20.20	8.97	20.14	8.96	0.16	175.85
$190 and under $215	3	123.00	21.03	9.83	31.70	9.00	—	194.56
$215 and under $240	3	177.00	19.67	13.66	—	9.00	—	219.33
$240 and under $265	1	214.30	17.30	17.50	—	8.97	—	258.15
All incomes	86	107.72	17.41	8.42	13.74	8.95	0.09	156.33
	PER CENT							
$115 and under $140	26.8	69.4	10.6	5.6	7.4	6.8	0.2	100.0
$140 and under $165	40.6	68.5	11.7	5.4	8.4	6.0	—	100.0
$165 and under $190	24.4	66.8	11.7	4.8	11.5	5.1	6.1.	100.0
$190 and under $215	3.5	63.2	10.9	5.0	16.3	4.6	—	100.0
$215 and under $240	3.5	80.7	9.0	6.2	—	4.1	—	100.0
$240 and under $265	1.2	83.0	6.7	6.8	—	3.5	—	100.0
All incomes	100.0	68.9	11.1	5.4	8.8	5.7	0.1	100.0

tainments and (2) occasional expenses for utensils, education, 511 religion, wedding and funeral. They formed 9.2 per cent of the total expenses. Various items of the miscellaneous expenses, as shown in Table 23 varied from $0.06 to $3.23 per person per year. Of all the miscellaneous expenses, those for tea and tobacco headed the list. It appears that more men indulged in drinking tea than in smoking tobacco, but it is noteworthy that tobacco is much more expensive than tea. Twenty seven workers had no expenses for recreation, but it is quite possible that such expenses were included in new year expenses. The new year expenses are those spent for food and amusement during the new year holidays. This expense is so characteristic of Chinese that it deserves to be classified separately.

Educational expenses were meant for buying books and stationery. Text books in use at the Workmen's School were not included, as they have been supplied free. Only four workers had book expenses, while 41 workers paid expenses for utensils. Expenses for religion included contributions for the celebration of the "Society of Abstainers" (Tsai-li-hui). Only two out of 86 workers had such expenses. Weddings and funerals are not common, as only two workers incurred such expenses.

It will be seen that the expense for tea and tobacco is the most important item, being 28.2% of the miscellaneous expenses or 2.6% of the total expenses. New year expenses come next, being one-fourth of the miscellaneous expenses. Expense for amusement comes third, being 18.6% of the miscellaneous expenses.

So far the income and expenditure of the 86 resident workers 434 have been dealt with separately without examining into the 511 question whether their income was sufficient to cover their 426 expenses. It is pertinent for us to look into this question and study the assets and liabilities of the 86 workers during the year under investigation. It seems that, in doing so, we have to look not only into their surpluses and deficits but also their remittances to home and borrowings. These items are now presented in Table 24. First, it is shown that 73 had surplus, with an average

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Table 24.—Average Amounts of Surplus, Deficit, Family Remittance and Borrowing of 86 Resident Workers in One Year, by Income Groups.

Income group	Number of workers	Average Annual income	Average Annual expenditure	Surplus		Deficit		Average Surplus (+) or Deficit (−) for group	Number of Remitters	Average amount of family remittance of		Number of Borrowers	Average amount of Borrowing of	
				Workers having	Average amount	Workers having	Average amount			remitters	group		borrowers	group
$115 and under $140...	23	$ 131.31	$ 120.75	15	$ 21.22	8	$ 9.45	+$10.56	16	$ 27.69	$ 19.26	2	$ 22.50	$ 1.96
$140 and under $165...	35	149.46	121.87	30	33.99	5	10.77	+ 27.60	33	42.24	39.83	8	15.25	3.49
$165 and under $190...	21	175.85	132.50	21	43.36	—	—	+ 43.36	20	50.45	48.05	6	16.50	4.71
$190 and under $215...	3	194.56	108.71	3	85.86	—	—	+ 85.86	3	68.33	68.33	1	30.00	10.00
$215 and under $240...	3	219.33	145.18	3	74.15	—	—	+ 74.15	2	70.00	46.67	—	—	—
$240 and under $265...	1	258.15	112.96	1	145.19	—	—	+145.19	1	144.00	144.00	—	—	—
All incomes	86	156.33	124.41	73	39.37	13	9.95	+ 31.91	75	44.39	38.71	17	3.44	17.41

of about $40 ($39.37) each and 13 incurred deficits, with an 434
average deficit of $10 each ($9.95). The latter all fell in the 511
first two income groups, the earners of from $110 to $165 a year. 426
Those who had any surplus usually deposited all or a part of it in [454]
the savings department of the factory. It was found that of the 73 workers who had surpluses, 59 followed this practice. The average amount of savings per person was $12.36 a year, but the great majority of the workers had only small amounts to deposit. Thus 41 persons had saved less than $10 each in the year. It should be borne in mind that, in most cases, the deposits thus accumulated were meant to be remitted home.

The reasons for the deficit of the thirteen workers are two. 434
First, absence from work for returning home often results in 511
deficits, especially to those with low earnings. For during their leave of absence, the workers suffer a double loss, no income from wages during the leave and the charge of travelling expenses which should be paid out of their pockets. Secondly, wedding and funeral services are a heavy burden to the workers. Extra expenses are needed on these occasions, which must be met by loans, in the case of workers with low incomes. In either case, a deficit would be incurred in the year.

It should be observed that after their own living expenses family remittance becomes the most important charge to the resident workers. Whatever they can save, they send home to support their people; at times they had to borrow if the savings are insufficient. It is shown in Table 24 that 75 out of the 86 workers had all remitted money home. The average amount of remittance of each was $44.39 per year, but it appears that such remittances tended to increase in the higher income groups.

To meet the deficit, occasioned by the increased expenditure 426
for family remittances or travelling expenses, means open to the workers are either borrowing from friends or loan societies or pawning articles. Loans raised from friends are most common, while pawning of articles is very seldom resorted to. The amount of borrowing is usually low. It was found that 17 out of the 86 workers raised loans whose average amount was $17,41 each.

II. INCOME AND EXPENDITURE OF THE 61 WORKING FAMILIES

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The family income of the 61 workers was made of five kinds:—(1) income of principal earners which includes the wages of all sorts of the head of a family. (2) supplementary incomes from other members of the family. (3) contributions from brothers, sons, nephews, etc. The net income of those whose relation with the family was close and whose occupation was such as to prevent them from living at home was included under this item. (4) interest, rent and profit; where a family occupies a house of its own possession, the rent estimated according to the rentable value of the house is considered as a part of its income, and (5) remittance from people at native place. This is different from contributions from brothers, sons, etc. in the fact that the latter is a regular contribution, while this is irregular and is only remitted on urgent need.

Table 33 shows the distribution of the income of the 61 working families. The total income of each group ranges between $163.72 and $430.00 The income of principal earners figures very prominently in the total income, varying from 61.7 per cent to 100 per cent. On the average, this source of income alone constitutes 89.1 per cent of the total income. Income from other members of the family constitutes about 5.8 per cent and contributions from brothers, sons, etc. about 2.6 per cent. On the whole, it may be said that the position of the family is determined by the income of the principal earner. The family in the fifth income group is, perhaps, the only exception to this rule, as therein the earnings of other members constitute as much as 38 per cent of the total family income. Income from sources other than wages was all below 3 per cent.

Now, we shall examine the elements that constitute the income of the principal earner. Like the income of resident workers, this consists of six items, viz: (1) wages (2) general bonus (3) extra month's pay (4) salt bonus (5) commutation of gifts and (6) allowance for working overtime: As a few of the workers were offered gratuities for doing special work at the

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Table 33.—Sources and Amounts of Family Incomes of 61 Working Families in One Year, by Income Groups.

Income group	Number of families	Average annual income from—					Total average annual income per family
		Principal earners	Other members	Contribution of brothers, sons, etc. not living in family	Interest, rent and profit	Remittance from native places	
$130 and under $180	22	$ 154.82	$ 6.31	$ 2.13	$ —	$ 0.45	$163.72
$180 and under $230	21	188.12	8.47	4.95	—	1.59	203.21
$230 and under $280	10	219.77	9.96	11.44	9.00	3.00	253.17
$280 and under $330	4	219.38	33.12	17.60	29.75	—	299.86
$330 and under $380	2	308.72	29.50	—	22.50	—	360.72
$380 and under $430	1	249.05	154.35	—	—	—	403.40
$430 and under $480	1	430.00	—	—	—	—	430.00
All incomes	61	192.27	12.50	5.50	4.17	1.22	215.66
	PER CENT						
$130 and under $180	36.1	94.6	4.8	0.3	—	0.3	100.0
$180 and under $230	34.4	92.6	4.2	2.4	—	0.8	100.0
$230 and under $280	16.4	86.8	3.9	4.5	3.6	1.2	100.0
$280 and auder $330	6.6	73.2	12.3	4.6	9.9	—	100.0
$330 and under $380	3.3	85.6	8.2	—	6.2	—	100.0
$380 and under $430	1.6	61.7	38.3	—	—	—	100.0
$430 and under $480	1.6	100.0	—	—	—	—	100.0
All incomes	100.0	89.1	5.8	2.6	1.9	0.6	100.0

8: Lin E-5 (1927)1928 AF12 North China AF12

Table 34.—Sources and Amounts of Incomes of 61 Principal Earners in One Year by Income Groups

Income group	Number of families	total Average income of principal earners	Average annual income from—— Wages	General bonus	Extra month's pay	Salt bonus	Gifts commuted	Allowance working overtime	Gratuities
$130 and under $180	22	$ 154.82	$ 109.70	$ 20.34	$ 8.71	$ 7.34	$ 9.00	$ 0.23	$ —
$180 and under $230	21	188.12	136.21	22.64	10.96	7.34	9.00	—	1.97
$230 and under $280	10	219.77	161.38	22.54	12.93	2.70	9.00	0.82	10.40
$280 and under $330	4	219.38	173.00	21.88	14.00	—	9.00	1.50	—
$330 and under $380	2	308.72	253.25	23.10	20.37	—	9.00	—	3.00
$380 and under $430	1	249.05	201.75	21.80	16.50	—	9.00	—	—
$430 and under $480	1	340.00	358.00	28.00	29.00	—	9.00	6.00	—
All incomes	61	192.27	141.56	21.83	11.36	5.62	9.00	0.42	2.42
	Per cent on family incomes								
$130 and under $180	36.1	94.6	66.7	12.4	5.3	4.5	5.5	0.2	—
$180 and under $230	34.4	92.6	67.0	11.0	5.5	3.6	4.5	—	1.0
$230 and under $280	16.4	85.8	63.7	8.9	5.1	1.1	3.6	0.3	4.1
$280 and under $330	6.6	73.2	57.7	7.3	4.7	—	3.0	0.5	—
$330 and under $380	3.3	85.6	70.2	6.4	5.7	—	2.5	—	0.8
$380 and under $430	1.6	61.7	50.0	5.4	4.1	—	2.2	—	—
$430 and under $480	1.6	100.00	83.3	6.5	6.7	—	2.1	1.4	—
All incomes	100.00	89.1	65.6	10.1	5.3	2.6	4.2	0.2	1.1

434 factory, they had to be assigned to a special group. The wage income of the different groups varied from $109.20 to $358.00 a year with an average of $141.56. The amount of general bonus of the 61 workers varied from $20.34 to $28.00 a year, with an average of $21.83 for all groups. This amount is a little higher than that of the resident workers, but the income from salt bonus is much less than that obtained by them. The reason is that there were few salt refiners among the principal earners of the families; in particular, all the workers in the high income groups being engaged in skilled work were not entitled to salt bonus. The commutation of gifts to the amount of $9 a year was the same for all workers. The amounts derived from the pay for working overtime and from gratuities were insignificant. It will be seen that among all sources of income, wages and extra month's pay are the most important as they constituted on the average about 70.9 per cent of the family income; the general bonus formed 10.1 per cent; and the rest combined formed but 8.1 per cent.

511 In analysing the family expenses, we have calculated the number of persons of the 61 families, according to Atwater's scale[1] into equivalent adult males. There are 5 kinds of expenses, viz., food, rent, clothing, fuel and light, and miscellaneous. As is shown in Table 35, the total annual expenditure of various income groups ranged between $160.96 and $5 13.54, the average amount for all the groups being $220.37. This sum is distributed as follows : food, $122.73, or 55.7 per cent ; rent, $15.65 or 7.1 per cent ; clothing, $20.95 or 9.5 per cent ; fuel and light, $17.77 or 8.1 per cent and miscellaneous, $43.27 or 19.6 per cent.

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[1] The scale is as follows:

	Male	Female
Under 2 years	30	30
2 and under 6	40	40
6 and under 10	50	50
10 and under 12	60	60
12 and under 13	70	70
13 and under 15	80	70
15 and under 17	90	80
17 and over...	100	80

511 valent adult male shows a steady decrease. We may perhaps generalize from this fact that as the size of a family becomes larger, its income and expenses tend to increase, but food expenses per equivalent adult male tend to decrease.

Table 38.—Average Annual Income and Expenditure Per Family and Per Equivalent Adult Male by Equivalent Adult Males in Family of 61 Working Families

Equivalent adult males in family	Number of families	Average annual income		Average annual expenditure		Average annual food expenses	
		Per family	Per equi. adult male	Per family	Per equi. adult male	Per family	Per equi. adult male
1.8-2.7	40	$194.37	$89.88	$185.68	$85.87	$105.41	$48.75
2.8-3.7	11	219.93	68.73	224.52	70.16	130.43	40.26
3.8-4.7	8	283.07	63.61	322.55	72.48	179.03	40.23
4.8-5.7	2	348.65	69.04	482.73	95.59	201.39	39.87
All groups ...	61	215.67	78.59	220.38	80.30	122.73	44.72

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511 It further appears from Table 38 that the average amount of the yearly expenses per equivalent adult male is $80.30. This amount may be assumed as the minimum cost of living per equivalent adult male per year by which the economic standing of the members in the 61 working families may be judged. Thus those who earned more than this amount in a year may be considered as family supporters, those who earned less, partial dependents and those who earned nothing whatsoever complete dependents. Under such a system of classification, it was found that there were in the 61 working families 63 supporters, 35 partial dependents and 129 complete dependents. The distribution of supporters and dependents in 61 family is shown in Table 39.

There were 59 families where one principal earner supported from one to six partial or complete dependents, while the remaining two had each two family supporters.

It may be stated that the economic condition of a family depends on its income but to a great extent, also upon its size. Where two families receive an equal amount of income, the one of smaller size is surely much better off than the one having

many members. But it seems there is a general tendency that 434
where income increases, the size of the family usually increases 511
also and that its living conditions are somewhat lowered in spite of the increase of income.

Table 39.—Number of Family Supporters and Dependents in 61 Families.

	Total		Average per family	
	Number of persons	Number of equivalent adult males	Number of persons	Number of equivalent adults
Family supporters	63	63.00	1.03	1.03
Partial dependents	35	28.20	0.57	0.46
Complete dependents	129	75.94	2.12	1.25
Total	227	167.14	3.72	2.74

Having considered the income and expenditure of the 61 families, we shall now study the question of their surplus and deficit. In general, it may be stated that many of these families were able to make both ends meet in ordinary times, but they would incur deficit under special circumstances when marriage or death occurs in the family. It is shown in Table 40 that during the year under investigation, 41 families had each an average surplus amount of $18.83 and 20 families had each an average deficit amounting to $51.51.

It will have been seen in Table 40 that many families in the 434
third, fourth and sixth groups incurred big deficits on account of 571
the heavy expenses paid for marriage or funeral. In order to 426
meet these deficits, the families had to resort to the following methods: (1) to make purchases on credit (2) borrowing, (3) pawning articles, (4) borrowing money from the loan society, (5) to use savings and (6) to sell property.

Among these, to make purchases on credit is the most 452
common. Such debts are generally paid as soon as wages are received at the end of the month. In case there is no surplus left to pay back the sum, payment is deferred until the end of the year when the worker receives general bonus and the extra month's pay.

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Table 40.—Average Amount of Surplus, Deficit, Borrowing and Pawning of 61 Families, by Income Groups

Income group	Number of families	Average annual income	Average annual expenditure	Surplus		Deficit		Average surplus (+) or deficit (—) for group	Number of borrowers	Average amount of borrowing of—		Number of pawners	Value of articles pawned of—	
				Number of families	Average amount	Number of families	Average amount			Borrowers	Group		Pawners	Group
$130 and under $180	22	$163.72	$160.96	16	$12.42	6	$22.91	+$ 2.79	12	$21.08	$11.50	2	$3.00	$0.27
$180 and under $230	21	203.21	191.49	15	23.73	6	18.35	+ 11.71	8	23.12	8.81	—	—	—
$230 and under $280	10	253.17	286.01	6	25.24	4	119.96	+ 32.81	5	34.00	17.00	—	—	—
$280 and under $330	4	299.86	344.29	2	21.89	2	96.36	+ 37.24	2	113.50	56.75	1	40.00	10.00
$330 and under $380	2	360.72	358.33	1	4.91	1	0.13	+ 2.40	1	70.00	35.00	—	—	—
$380 and under $430	1	403.40	513.54	—	—	1	110.14	+110.14	1	30:00	30.00	—	—	—
$430 and under $480	1	430.00	412.66	1	17.37	—	—	+ 17.34	—	—	—	—	—	—
All incomes	61	215.66	220.37	41	18.83	20	51.51	+ 4.23	29	32.24	15.32	3	15.33	0.75

shown in Table 50. Excluding the two daughters-in-law-to-be, 162
the earliest age of marriage was 14. Most girls were married before 20 and none of them among this group of families were married after 21. The difference of age between husband and wife is about 2 years either way.

The educational standard of the various classes of workers 212
differs from one another. For instance, the work of the assistants is such that they all should receive some education and consequently no illiterate could be found among their class. Table 51 shows the distribution of literacy and illiteracy of the 50 workers to be 34 and 16 respectively. The percentage of illiteracy was higher among firemen and common workers than in the other two classes.

Table 51.—Literacy and Illiteracy of 50 Resident Workers

Class of workers	Total number of workers investigated	Illiterates	Literates	
			Those who can not read newspaper	Those who can read newspaper
Machanics	10	1	3	6
Firemen	4	3	—	1
Assistants	7	—	1	6
Common workers	29	12	10	7
All classes	50	16	14	20

It was further found that out of the 50 workers, 20 had receiv- 871
ed no education whatsoever, while the others were either graduates of primary schools or of private schools. Only seven of them were found at the time of investigation to attend the Workmen's School of the factory, the others being contented with little or no education.

The income of the Pacific workers as has been mentioned, 434
is derived from four different sources (1) wages (2) allowance for working overtime (3) extra month's pay and (4) commutation of gifts. All these items of income of the 50 resident workers were confined to the yearly period, July 1926 to June 1927 and

434 calculated according to what these workers actually earned. In case of absence, deductions from wages are made accordingly.

Table 52.—Sources and Amounts of Income in One Year of 50 Pacific Resident Workers, by Classes

Class of workers	Number of workers	Average annual income from—				Total average income per worker
		Wages	Allowance for working overtime	Extra month's pay	Gift commuted	
Mechanics	10	$232.52	$ 27.91	$ 18.38	$ 9.00	$ 287.81
Firemen	4	162.31	4.20	12.60	9.00	188.11
Assistants	7	110.01	15.92	8.34	8.99	143.26
Common workers	29	97.62	12.77	6.87	8.94	126.21
All classes	50	131.51	15.55	9.84	8.96	165.87
	PER CENT					
Mechanics	20	80.8	9.7	6.4	3.1	100.0
Firemen	8	86.3	2.2	6.7	4.8	100.0
Assistants	14	76.8	11.1	5.8	6.3	100.0
Common workers	58	77.3	10.1	5.4	7.1	100.0
All classes	10.0	79.3	9.4	5.9	5.4	100.0

The income of the Pacific workers is most conveniently analyzed according to the kinds of work they do, as there are different scales of pay for each. In Table 52, it is shown that the average wage represents 79.3 per cent of the total average income and the pay for overtime work, 9.4 per cent. These two items together constitute 88.7 per cent of the total average income. The extra month's pay and commutation of gifts were, respectively, 5.9 per cent and 5.4 per cent of the total average annual income.

511 Table 53 shows the expenses for the following five groups: food, clothing, travelling expenses, social expenses, and miscellaneous expenses.

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262 Food constituted 63.9 per cent of the total expenses. It was the highest among the mechanics, 67.1 per cent, and the lowest among the common workers, 63.7 per cent. As has been mentioned

511 above, mechanics generally eat somewhat better food than as-
262 sistants and the food cost of the former is about $1 per month more expensive.

511 The assistants spent $23.56 or 19.4 per cent of total expense a year on clothing, the amount being comparatively more than that of any other class of workers in the factory. They were generally young and paid more attention to their dress. Mechanics generally earned more income and were apt to spend more on their dress. Firemen, on account of the nature of their work, spent comparatively less on clothing.

While not many Pacific workers asked leave of absence for visiting homes, the number of such workers was especially small among those investigated. It appeared that only six mechanics had visited their homes, but as they were situated near Tientsin, the amount of passage money was naturally very small. Three out of the four firemen who went home spent about 9 per cent of the total expenses on travelling as the distance traversed was fairly long.

Social expenses did not play an important part among the Pacific workers. An ordinary worker spent on this item only $6 a year. There were, however, a few workers who spent more.

Miscellaneous expenses include those for sanitation, tea and tobacco, amusements, new year entertainment and utensils. The assistants had more sanitary and amusement expenses than other workers. The new year expenses corresponded rather closely with the income of these workers.

It appeared from the figures that, food, clothing, social and miscellaneous expenses were closely correlated with the income. Travelling expenses, however, usually vary not according to income but according to the distance between the worker's homes and the factory, and also the number of visits to home.

511 The assets and liabilities of the 50 workers are shown in
434 Table 55. It is to be noted that two classes of workers, mechanics and firemen, were better off and incurred no deficit. In the other two classes, one assistant had a deficit of $5.43 and three common workers had on the average a deficit of $22.98.

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Table 55. Average Amount of Surplus, Deficit, Family Remittance and Borrowing in One year of 50 Pacific Resident Workers, by Classes

Class of workers	Number of workers	Average annual income	Average annual expenditures	Surplus		Deficit		Average surplus (+) or deficit (—) for class	Number of remitters	Averge amount of family remittance of		Number of borrowers	Average amount of borrowing of	
				Number of workers	Average amount	Number of workers	Average amount			Remitters	Class		Borrowers	Class
Mechanics	10	$287.81	$130.51	10	$157.30	—	—	+ $157.30	9	$109.44	$98.50	1	$10.00	$1.00
Firemen	4	188.11	137.03	4	51.08	—	—	+ 51.05	4	59.25	59.25	1	10.00	2.50
Assistants	7	143.26	121.29	6	26.53	1	5.43	+ 21.96	4	16.25	9.29	1	20.00	2.86
Common workers.........	29	126.21	107.16	26	23.90	3	22.98	+ 19.05	23	30.13	23.90	5	8.00	1.38
All classes	50	165.87	116.20	46	55.60	4	18.59	+ 49.67	40	49.50	39.60	8	10.00	1.60

It was found that these three common workers spent more than 511
$30 on clothing, while the average amount for the 50 workers 434
was about $20. Moreover, their expenses for tea and tobacco were also much higher than the average amount. It seemed that of the four classes of workers, the mechanics were quite well off and each had $157.30 surplus. Next came the firemen, each having a surplus of $51.05. Even among the assistants and common workers, they had, on the average, some surplus, the former having about $22 and the latter $19 in a year. If we compare this group of workers with that of Chiu Ta with respect to its financial condition we shall find that the Pacific workers are much better off.

Family remittance is the most important item which consumes their surplus. Mechanics who had, on the average,, each a surplus more than $150 remitted to their homes about $110 each. The assistants remitted comparatively small sums of money to their homes. It is to be noted that the amount remitted by firemen and common workers exceeded their surplus. In such cases, the workers often resorted to borrowing. Of the 426
50 workers, only 8 borrowed money, the average amount being $10. Such kind of borrowing often comes from relatives or friends and no interest is charged.

Apart from the family remittance, three ways of disposing 426
the surplus are open to the workers: investing it in a co-opera- 452
tive loan society, lending it to others or buying property. There are also three ways to make up the deficit, besides borrowing: namely, borrowing from the co-operative loan society, pawning and selling articles. Workers that resorted to pawning and selling articles to meet their deficits were so few among the Pacific workers that they do not merit our attention. However, 10 of the workers under investigation joined the co-operative loan societies.

the end of 1927[1], it will be found that the minimum wage and the 465 mode of wages in Tangku were slightly lower than those in Tientsin (see the table following). However it does not follow that factory workers in Tangku were less paid. On the one hand, the monthly wages are supplemented by other payments as indicated above; on the other, they are furnished with every convenience of living which serves directly or indirectly as wage equivalent. Taking all the factors in consideration, the real income of the Chiu Ta and Pacific workers far exceeds that of the workers of other factories.

Daily Wages	Tangku		Tientsin			
	Chiu Ta	Pacific	Cotton mill	Tobacco factory	Match factory	Flour mill
Maximum	$1.06	$1.16	$1.25	$0.97	$1.00	$1.00
Minimum	0.25	$0.25	0.30	0.18	0.30	0.40
Mode	0.25	$0.25	0.50	0.40	0.50	0.60

The sources and general average of the incomes actually 434 earned by the 197 workers investigated during the yearly period July 1920-June 1927 may be summarized in the following table.

	Wages	Extra month's pay	Allowance for working overtime	Gifts commuted	General bonus	Salt bonus	Gratuities	Total average income
86 Chiu Ta resident workers	$107.72	$8.42	$0.09	$8.95	$17.41	$1[illegible].74	—	$156.33
61 Chiu Ta workers having families	141.56	11.36	0.42	9.00	21.83	5.62	$2.42	192.27
50 Pacific resident workers	131.51	9.84	15.55	8.96	—	—	—	165.87
	PER CENT							
86 Chiu Ta resident workers	68.9	5.4	0.1	5.7	11.1	8.8	—	100.0
61 Chiu Ta workers having families	65.6	5.3	0.2	4.2	10.1	2.6	1.1	100.0
50 Pacific resident workers	79.3	5.9	9.4	5.4	—	—	—	100.0

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[1] The data were kindly supplied by the Chamber of Japanese Merchants in Tientsin.

434 It will be noted that the monthly wages of workers, although the most important item of income, only constituted 65.6 per cent to 79.3 per cent of the total income. The remaining 20 to 35 per cent was derived from other forms of wage payments, of which the general and salt bonus of Chiu Ta and the overtime allowance of Pacific were the most significant. Of course, the total incomes of the workers having families were not necessarily the total incomes of their families. The percentages of various items of income of the 61 families are as follows:

Principal earners	Other family member	Contributions of brothers and sons	Interest, rent and profit	Remittance from native place
89.1 per cent	5.8 per cent	2.6 per cent	1.9 per cent	0.6 per cent

511 Having been provided with dormitory and fuel and water by the factories, the resident workers of both the Chiu Ta and the Pacific factories were relieved from the expenses on these two items. The expenditure of the 197 workers studied should be treated in two groups, one for resident workers, the other for families of Chiu Ta workers. The following is the percentage expenditure of the 136 resident workers.

	86 Chiu Ta Workers	50 Pacific Workers
	per cent	*per cent*
Food	62.7	63.9
Clothing	15.2	17.8
Travelling expenses	4.6	2.4
Social expenses	8.3	6.7
Miscellaneous expenses	9.2	9.2
All expenses	100.0	100.0

It is interesting to note that the percentages of miscellaneous expenses are exactly the same for the workers of both factories. As the percentages on social and travelling expenses of Chiu Ta workers are greater than those of Pacific, the percentage of food and clothing expenses of the former are correspondingly smaller